



Slovenian Presidency of the European Union

BEUC priorities
2021



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Introduction

The European Consumer Organisation (BEUC) is the umbrella organisation for 46 independent consumer organisations in 32 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 Slovenian member organisation is Zveza Potrošnikov Slovenije (ZPS).

The Slovenian Presidency will be marked by the economic and societal consequences of the ongoing COVID-19 pandemic and the ensuing process of recovery. When the European Commission adopted its Consumer Agenda in November 2020, we commented that "consumer policy is vital to instilling trust and recovering economically from the COVID-19 pandemic". We therefore encourage the Slovenian Presidency to pay special attention to the needs of consumers as it takes the leading role in guiding the EU out of this crisis.

Beyond the consequences of COVID-19, numerous legislative and non-legislative files that are of relevance to consumers will be on the Presidency's agenda. In this Memorandum we make concrete proposals for how the Council of Ministers and the European Parliament should legislate to achieve a high level of consumer protection and empowerment.

In addition to the priority of recovering from COVID-19 and the need to swiftly adopt proposals to further the implementation of the EU's flagship European Green Deal, we draw attention in particular to the following initiatives:

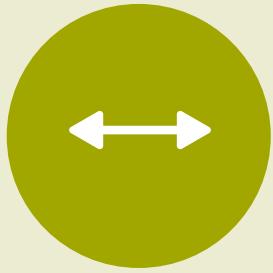
- **The General Product Safety Directive/Regulation:** The newly proposed revision must ensure that products are better traceable along the supply chain and that market surveillance authorities are given the necessary tools to effectively withdraw dangerous products from the market. Furthermore, consumer safety must be strengthened with regard to new technologies and global e-commerce.
- **Financial services:** The revision of the Consumer Credit Directive and any other legislation on non-performing loans should ensure that financial services consumers are treated fairly and that they are adequately protected against irresponsible lending and harmful debt collection practices.
- **Sustainable housing and mobility:** The revision of several key pieces of legislation under the 'Fit for 55' legislative package should strongly enhance the ability of consumers to switch to more sustainable heating and cooling systems and opt for more sustainable mobility.
- **A European approach to artificial intelligence:** Consumers should benefit from artificial intelligence rather than be exposed to new risks. The proposed regulation should be expanded in scope and protect consumers from economic harm and discrimination caused by commercial uses of AI.
- **ePrivacy:** The finalisation of the legislative proposal for an ePrivacy Regulation is overdue and urgently needed. This legislation should lead to a higher level of privacy protection for consumers in the digital age and should complement the General Data Protection Regulation (GDPR).
- **The Digital Services Act (DSA):** The EU's initiative on the platform economy should increase the liability of online marketplaces and the due diligence obligations of platforms. It should also ensure swifter and more efficient redress and enforcement if the DSA's rules are not respected.
- **The Digital Markets Act (DMA):** This regulation will contribute to the creation of digital markets that are more open and fairer for consumers by targeting the specific practices of gatekeepers.

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

We wish Slovenia a most successful Presidency.

Monique Goyens
Director General

Klaus Müller
President



HORIZONTAL

1

A European Green Deal



Why it matters to consumers

Consumers are affected by and will increasingly suffer from the impacts of a changing climate in their daily lives, with negative consequences such as health threats due to increased exhaust gases in the atmosphere, higher living costs related to rising prices for food, energy and transport, and endangered food security.

To turn the tide, systemic changes are needed in how we produce and consume. Currently, however, multiple market failures prevent consumers from playing a role in this change. Consumers who would like to live more sustainably must often pay more to do so. They do not receive relevant information about sustainable products and services or opportunities to purchase them. They may also be frustrated by the prevalent misleading information about the sustainability of products.

The COVID-19 pandemic has hit our countries hard. Even though the fight against the pandemic is not yet won, the EU is doubling its focus on rebuilding our economy. It is important that this economic recovery happens while being mindful of the climate crisis. Failing this, we risk 'solving' the imminent economic recession by sacrificing our preparatory plans for the many new shocks that will arrive with climate change.

State of play in legislative procedure

In December 2019, the **European Commission** unveiled its European Green Deal (EGD). Its Communication on the subject announced a number of policies and measures to tackle challenges related to climate change and the environment in general. Since the publication of the EGD, the European Commission has started to translate its objectives into policy initiatives. The Commission published a new Action Plan for the Circular Economy, a Farm to Fork Strategy to create an environment-friendly food system, a Chemicals Strategy for a toxic-free environment, a Renovation Wave Strategy and a Strategy on Sustainable and Smart Mobility. In the coming months, we will enter a crucial phase of the European Green Deal as most of these action plans are being translated into legislative proposals.



Recommendations for the Presidency



We call on the Slovenian Presidency to address the Commission's EGD proposals as a priority and to make sure that the Green Deal is the guiding principle in steering the recovery of the European economy. As we are now entering the implementation phase of the EGD, with many legislative proposals expected in the coming months, the Council must ensure that the ambitious announcements made over the past 18 months will not be watered down but instead turned into concrete regulatory changes.

In particular, the Presidency will oversee the beginning of the discussions on several crucial pieces of legislation included in the 'Fit for 55' legislative package and should aim for well-designed regulatory changes that help consumers in their housing and mobility needs. It should also organise discussions on ongoing European Commission strategies – including the Circular Economy Action Plan, the Chemicals Strategy for Sustainability, the Sustainable and Smart Mobility Strategy, the Renovation Wave Strategy and the Farm to Fork Strategy – and facilitate well-designed sustainable development policies that will promote both consumer interests and sustainable development. We hope that the Slovenian Presidency will show great ambition as it steers the Council discussion on achieving the EU's climate and energy objectives.

What we need to succeed

- New Circular Economy Action Plan:** BEUC welcomed the publication of the new Circular Economy Action Plan in March 2020. The main objectives of this new strategy should be to provide consumers with products that last longer and are easily repairable, upgradeable, and recyclable, as well as to keep environmentally harmful products off the market. This can be achieved through the Sustainable Product Initiative and the upcoming revision of the Ecodesign Directive. Through the initiative on 'Empowering the consumer for the green transition', consumers should be provided with strong rights, such as the 'right to repair', and longer guarantee periods. They should also receive clear and accurate information that allows them to make sustainable choices, for example about the life expectancy of a product and/or its environmental footprint. In this regard, measures should be taken to fight unfair business practices that mislead consumers about the environmental features of products and services and the proliferation of green claims and non-certified labels on the market. The upcoming EU initiative on the substantiation of green claims should lead to the establishment of a pre-approval procedure for all green claims and labels, as is currently the case for health and nutrition claims on food.
- Sustainable financial services:** The European Commission is establishing an EU Taxonomy that will give consumers more clarity about the sustainability of their investment products. In April, the Commission presented a delegated act on climate change mitigation and adaptation; this is a finalised list of criteria that determine which economic activities can be considered as sustainable under the EU Taxonomy. However, the proposed criteria risk misleading consumers into making unsustainable investments. Although a decision on including gas in the final EU Taxonomy has been postponed for now, other sectors such as forestry and bio-energy will contribute towards increased logging and could have harmful environmental impacts. BEUC cannot accept the delegated act in its current format. We call on the Slovenian Presidency to suspend Council analysis of the EU Taxonomy rules until the full rules are finalised by the European

Commission, including potential rules on the inclusion of nuclear and gas.

- **Sustainable mobility:** We urgently need to strengthen public and intermodal transport, and a consumer-friendly roll-out of fully electric vehicles is also imperative. The reduction of CO₂ emissions from road transport must be accelerated, and consumers should be better informed about the environmental impact of their cars. Kerosene should be taxed to reflect the true environmental and climate costs of aviation, and revenues should be reinvested in rail and public transport. The designation of 2021 as 'Year of the Rail' must translate into tangible changes for consumers (such as single ticketing and mandatory sharing of data between transport operators). The revision of several key pieces of legislation under the 'Fit for 55' legislative package that will be transmitted to the Council under the Slovenian Presidency needs to strongly enhance consumers' ability to switch to more sustainable mobility habits.
- **Sustainable housing:** A more efficient use of energy is at the heart of the energy transition, and accelerating building renovations is essential for the EU to become climate neutral by 2050. EU buildings are responsible for 40% of our energy consumption, and roughly 75% of the existing building stock is energy inefficient. Home renovations can thus deliver significant benefits for consumers. Clear policies, a variety of financing options, and easy access to impartial and trustworthy advice are needed to help consumers understand the benefits of renovating their homes. The revision of several key pieces of legislation under the 'Fit for 55' legislative package that is expected to be transmitted to the Council under the Slovenian Presidency needs to strongly enhance consumers' ability to switch to more sustainable heating and cooling systems.
- **Sustainable food:** We see great potential for engaging consumers in low-carbon diets and for a transition towards sustainable food systems. To enable consumers to buy healthy food on a healthy planet, we urgently need to increase transparency about the impacts of food on climate and sustainability. Information is not enough, however, as shown by our 2020 survey on European consumers' attitudes towards sustainable food. The consumer food environment must also change, and this includes getting the prices right.
- **Chemicals Strategy for Sustainability:** A strong EU chemicals policy that includes the sustainable use of resources and the protection of human health will be essential in achieving the goals of the European Green Deal. We urgently need new solutions from the EU to minimise consumers' exposure to harmful chemicals, including an integrated policy on chemicals in products, better protection of vulnerable groups, and a response to known policy gaps, such as combination effects or endocrine disruptors. BEUC firmly believes that the new EU Chemicals Strategy is a first step towards delivering these solutions to Europe's consumers and the environment. We urge the Slovenian Presidency to continue fostering discussions among the Member States on how to translate the Chemicals Strategy into the intended and necessary changes for consumers on the ground.
- **Energy System Integration Strategy:** We need a fully integrated, decarbonised, digitalised, and flexible energy system that is built on affordability and transparency. Further actions to decarbonise the energy system should not put an extra burden on consumers' bills. To this end, we need a thorough analysis of the role and cost efficiency of different technologies and the impact of the decarbonisation of heating and transport. For instance, the decarbonisation of residential heating through the direct use of renewable electricity in combination with energy efficiency measures is not only economically attractive for consumers but is also a climate-friendly solution. However, consumers will choose sustainable heating for their homes only if the existing barriers are acknowledged and overcome (for example the cost of sustainable heating systems, the lack of trusted independent advice, and higher taxes for electricity than for fossil fuels). While the decarbonisation of the gas sector is necessary, green gases will be scarce and

expensive and hence better designated for end-use sectors such as industry, aviation and shipping.

- **The EU Emissions Trading System (ETS):** the revision of the EU's ETS should not lead to an extension of the carbon market to the road transport and buildings sectors. That would be a 'high risk, low reward' strategy, and would increase the costs of heating, cooling and mobility for consumers – especially lower-income ones – without providing sufficient guarantees in terms of access to more sustainable alternatives. It would also distract EU policymakers from taking ambitious actions in sector-specific regulations, such as CO2 targets for cars or the revision of the Energy Efficiency and Renewable Energy Directives.

Additional sources

Consumers at the center of the drive to sustainability:
BEUC's views on the European Green Deal
Position paper
[BEUC-X-2020-012](#)

The future of energy consumers:
Bright or burdensome?
Position paper
[BEUC-X-2019-055](#)

Joint BEUC-ETUC-EEB recommendations for chemicals policy and the European Green Deal
Letter
[BEUC-X-2019-088](#)

How to make sustainable finance real for consumers?
Factsheet
[BEUC-X-2020-102](#)

Towards Toxic-Free Consumer Lives. BEUC's take on the Chemicals Strategy for Sustainability
Position paper
[BEUC-X-2021-038](#)

Une fausse bonne idée: why extending Emissions Trading (ETS) to road transport and buildings is not recommendable.
Position paper
[BEUC-X-2021-011](#)

One bite at a time: Consumers and the transition to sustainable food
Survey
[BEUC-X-2020-042](#)

Putting our foot on the electric pedal: BEUC position paper on the future of automotive markets, with a focus on the revision of CO₂ standards for cars and vans
Position paper
[BEUC-X-2021-047](#)

Breaking-out of fossil-fuelled mobility: How consumer policy can help clean up transport in Europe
Position paper
[BEUC-X-2020-065](#)

Electric car ownership: an affordable option for all consumers
Study
[BEUC-X-2021-040](#)

Proposal for a European Year of Rail 2021: BEUC's proposals to move towards a consumer-oriented rail system
Position paper
[BEUC-X-2020-041](#)

Getting rid of greenwashing - Restoring consumer confidence in green claims.
Position paper
[BEUC-X-2020-116](#)

What CLEAR 2.0 project taught us: Results and recommendations
Position paper
[BEUC-X-2020-009](#)

Getting rid of greenwashing - Restoring consumer confidence in green claims.
Factsheet
[BEUC-X-2020-115](#)



SAFETY

1

Modernising the EU's product safety framework

Why it matters to consumers

Consumers rightfully expect all the products they buy to be safe and compliant with legislation and standards, regardless of whether they are clothes, home appliances, IT equipment, toys, or childcare products and whether they are purchased online or in traditional shops. However, safety checks performed by consumer organisations and market surveillance authorities show that many dangerous goods are still available on the market. Furthermore, any problematic products that are discovered are likely only the tip of the iceberg, as many escape the safety net.

We are calling for urgent action to keep consumers safe and confident when shopping in the Single Market. The revision of the General Product Safety Directive is indispensable given today's multiple and increasing challenges, such as the emergence of new market realities and sales channels (e.g., online marketplaces and increased international e-commerce) as well as new technologies (e.g., connected devices).

State of play in legislative procedure

Adopted in 2001, the General Product Safety Directive (GPSD) has proven to be a key piece of consumer protection policy as it creates a general obligation for producers to place only safe products on the market. It thus functions as the safety legislation for products that do not benefit from 'sectoral', or product-specific, legislation. In practice, this means that the GPSD is the main safety law for commodities as diverse as furniture, textiles, and childcare products.

Today, however, the Directive is outdated. As previous attempts to reform the GPSD have failed, we welcome the **European Commission's** decision to present a new proposal in the middle of 2021.

In November 2020, the **European Parliament** adopted an own-initiative report on product safety in the Single Market. MEPs are calling for more action to control online shopping and to make it safer, as well as better protection of consumers from the dangers related to new technologies.



Recommendations for the Presidency



As the GPSD reform is long overdue, it is urgent that the Slovenian Presidency ensures a swift start to deliberations on this file. As past attempts were stranded in stalemates around a mandatory 'made in' label, this issue should be left out at this time. Instead, the focus should be on topics that require specific attention such as the safety and security of connected products, as well as the safety of products shipped directly to consumers from outside the EU via online shopping.

It is of the utmost importance that the future legislation continues to be based on its two original pillars: 1) a safety net function to cover lacunae in sector-specific legislation; and 2) the precautionary principle.

What we need to succeed

- The establishment of a uniform framework for the market surveillance of all consumer products, with flawless traceability along the supply chain and effective enforcement.
- A future-proof law that can cope with new technologies.
- The ensuring of accountability in the supply chain and the closing of loopholes regarding international e-commerce.
- The reduction of consumer exposure to harmful chemicals in products.
- The setting of product-specific mandatory safety requirements to provide for legal certainty.
- The improvement of other shortcomings in the GPSD, such as allowing the legislator to choose more demanding conformity assessment methods; defining criteria for products that appeal to children; improving the effectiveness of product recalls; and collecting EU-wide accident and injury data.
- A successful and flawless operation, in combination with other policy reforms such as the Product Liability Directive, the Digital Services Act and the Sustainable Product Policy Framework initiative, to ensure a high level of safety in the EU internal market and higher standards at the global level.

ADDITIONAL SOURCES

BEUC and ANEC views for a modern regulatory framework on product safety
Position paper
[BEUC-X-2020-068](#)

Sewing up the holes in Europe's product safety net
Factsheet
[BEUC-X-2020-103](#)

Is it safe to shop on online marketplaces?
Report
[BEUC-X-2021-004](#)

2

EU Chemicals Strategy for Sustainability

Why it matters to consumers

Consumers worry about their own – and their children’s – exposure to harmful chemicals. Last year, our Swedish member organisation Sveriges Konsumenter found that nine in ten surveyed consumers were concerned about chemicals harming current and future generations and the environment. Four in five Europeans likewise expressed concern about the chemicals in everyday products, according to a 2017 Eurobarometer survey. This figure is up from 43% in 2014.

Although the European Union boasts the world’s most advanced and ambitious chemicals management framework, most chemicals can still be used in consumer products with little actual control. Product tests by BEUC members thus frequently detect chemicals of concern in products that consumers come into close, regular and prolonged contact with clothes, shoes, toys and childcare products, food packaging, and so forth. Frustratingly, much of this consumer exposure could be avoided as these chemicals are found in some but not all tested products, meaning that alternatives are available.

State of play in legislative procedure



On 14 October 2020, the **European Commission** published its long-awaited Chemicals Strategy for Sustainability, a first step towards Europe’s ‘zero pollution’ ambition. BEUC welcomes the Chemicals Strategy, which responds to consumers’ concerns about their everyday exposure to chemicals and commits the EU to addressing this issue through a range of welcome (if overdue) measures. This notably includes prohibiting by default the use of the most harmful chemicals – including endocrine disruptors – in toys, children’s products, cosmetics, detergents, food packaging, textiles, and other consumer goods, unless their use is proven essential for society.

While much work lies ahead to ensure that the Chemicals Strategy translates into real changes for consumers on the ground, it nonetheless reflects a welcome mindset change: protection of human and planetary health will now come first when it comes to chemicals. The COVID-19 crisis has also further highlighted the need for an ambitious strategy to reduce the impacts of future pandemics and to support socio-economic recovery by incentivising the production of safer, sustainable chemicals. As such, the Chemicals Strategy is a crucial stepping stone for the necessary societal transformation as outlined in the European Green Deal. Swift implementation will be key to its success.

Recommendations for the Presidency



Building on the March 2021 Council conclusions on ‘Sustainable Chemicals Strategy of the Union: Time to Deliver’, we call on the Slovenian Presidency to promote further agreement and commitment within the Council so that a high level of ambition can be maintained when designing and implementing the initiatives outlined in the Chemicals Strategy. The July 2020 European Parliament resolution on the Chemicals Strategy should also be taken into account.

What we need to succeed

- To protect the health of current and future generations, the EU needs to radically scale up actions to minimise cumulative exposures to harmful chemicals. These actions include an integrated policy on chemicals in products; better protection of vulnerable groups; and a response to known policy gaps such as combination effects and endocrine disruptors.
- It is imperative that the EU acts swiftly and ambitiously to ensure that the Chemicals Strategy delivers the necessary changes for consumers on the ground. In particular, this will require that the Commission’s implementing proposals live up to the Chemical Strategy’s aims and intentions. When developing these proposals – which will be underpinned by the Better Regulation tools – the Commission must ensure that they reflect the green oath to ‘do no harm’, including the harm that results from failing to take action to protect people and the environment.

ADDITIONAL SOURCES

The European Green Deal must address consumers concerns about harmful chemicals
Letter

[BEUC-X-2019-064](#)

BEUC welcomes the Chemicals Strategy for Sustainability
Letter

[BEUC-X-2020-105](#)

Joint BEUC-ETUC-EEB recommendations for chemicals policy and the European Green Deal
Position paper

[BEUC-X-2019-089](#)

Towards Toxic-Free Consumer Lives. BEUC’s take on the Chemicals Strategy for Sustainability
Position paper

[BEUC-X-2021-038](#)

For more information: safety@beuc.eu



SUSTAINABILITY

1

Strategy for Sustainable and Smart Mobility and 'Fit for 55' package

Why it matters to consumers

Consumers are locked into a mobility system centred around fossil-fuelled transport that is bad for the planet as well as for people's health, wallets, and general quality of life. Many would be willing to change their habits: using public transport instead of driving to work or taking trains instead of planes to reach holiday destinations. Unfortunately, consumers are often not given these possibilities as alternatives are unavailable, unaffordable, or unattractive. Sustainable and smart mobility therefore requires profound changes, from accelerating the shift to electric cars to making public transport, walking, and cycling more attractive for people.

State of play in legislative procedure

In December 2020, the **European Commission** published its Sustainable and Smart Mobility Strategy, which sets out the key EU priorities for ensuring that our transport system becomes "more sustainable and competitive, more modern and resilient to crises".

As part of its 'Fit for 55' package planned for July 2021, the Commission will also revise several key regulations such as the CO₂ reduction targets for passenger cars and the Directive on Alternative Fuels Infrastructure.



Recommendations for the Presidency

BEUC urges the Slovenian Presidency to ensure that the Strategy for Sustainable and Smart Mobility and the initiatives in the 'Fit for 55' package lead to tangible changes for consumers.

Consumers must be able to choose among a wide range of clean vehicles that can be easily charged anywhere. EU regulation should accelerate the uptake of battery electric vehicles and the roll-out of recharging infrastructure so that these cars become an attractive alternative to fossil-fuelled vehicles.

Consumers must also be provided with credible and affordable alternatives to car ownership and polluting transport modes. The digitalisation of the mobility system (for example with the emergence of Mobility-as-a-Service, or MaaS) must serve sustainable goals and should be built around a strong network of public transport to promote multimodality. Cities must be encouraged to give more space to cyclists and pedestrians. Train travel must be made more appealing, be it via the introduction of a kerosene tax for jet fuel or by facilitating cross-border journeys through single ticketing.



What we need to succeed

- Ambitions for post-2020 CO₂ targets for passenger cars should be increased, and the EU should set 2035 as a phase-out date for internal combustion engines to accelerate the transition to zero-emission vehicles.
- The revision of the Alternative Fuels Infrastructure Directive should accelerate the roll-out of charging infrastructure for electric cars and make this infrastructure easy to use for consumers (e.g., transparency of tariffs, payment via debit cards and good maintenance of charging points).
- The revision of the 20-year-old Car Labelling Directive is crucial and should not be left aside. The introduction of a scheme for cars like the EU energy label would give consumers correct information about the best and cleanest cars on the market.
- The revision of the Intelligent Transport Systems (ITS) Directive should focus on a broad access to data scheme that would allow the emergence of multimodal ticketing and new services. However, consumers must be given control over the data they generate and should be able to choose whether and with whom it is shared.
- The European Year of Rail 2021 offers an occasion to reinforce the attractiveness of travel by rail. The European Union could boost cross-border train journeys via mandatory single ticketing and the introduction of a kerosene tax, the revenues of which should be allocated to cleaner transport modes.

ADDITIONAL SOURCES

Putting our foot on the electric pedal: BEUC position paper on the future of automotive markets, with a focus on the revision of CO₂ standards for cars and vans
Position paper
BEUC-X-2021-047

Electric car ownership: an affordable option for all consumers
Study
BEUC-X-2021-040

A consumer checklist for a sustainable transport system
Consumer checklist
BEUC-X-2020-111

The consumer checklist for fair and efficient carbon pricing
Factsheet
BEUC-X-2020-100

Breaking out of fossil-fuelled mobility
Position paper
BEUC-X-2020-065

Proposal for a European Year of Rail 2021
Position paper
BEUC-X-2020-041

A new label to help people choose the best and cleanest car models, today and tomorrow
Position paper
BEUC-X-2019-060

Making electric cars convenient across Europe
Brochure
BEUC-X-2019-036

Making electric cars convenient
Position paper
BEUC-X-2019-032

For more information: sustainability@beuc.eu



ENERGY

1

Renovation Wave Strategy

Why it matters to consumers

Making energy usage more efficient for all must be at the heart of the energy transition. The quality of buildings significantly impacts our health and well-being since people spend an average of 80-90% of their time indoors. Concurrently, nearly 34 million Europeans are unable to afford to keep their homes sufficiently warm and many of them live in energy-inefficient homes.

EU buildings are responsible for 40% of our energy consumption, and roughly 75% of existing building stock is energy inefficient. Worse still, approximately 80% of domestic energy demand comes from space and water heating and 75% of heating supply is based on fossil fuels. Yet despite the scale of the problem, less than 1% of national building stock is renovated each year.

BEUC members report that the top issues preventing consumer action are the following: (1) a lack of access to clear and detailed information on energy consumption and personal tips; (2) a lack of awareness about the costs and benefits of renovation; (3) a lack of available/suitable financing for renovations; (4) a lack of regulatory certainty; and (5) a shortage in the availability of trusted, impartial advice.

The costs for the heating and cooling of homes represent a major part of household energy bills. Investing in energy-efficient buildings is therefore a no-brainer. Consumers will benefit from easy access to affordable and trustworthy offers for energy efficient retrofits, as well as from lower energy bills and healthier and more comfortable homes in the long term.

State of play in legislative procedure

For the EU to become climate neutral by 2050, the acceleration of building renovations is essential. In October 2020, the **European Commission** published its Renovation Wave Strategy, which aims to at least double renovation rates over the next ten years. The Commission's Renovation Wave must enable consumers to benefit from greener, healthier, and more affordable housing and must contribute to tackling energy poverty.

In July 2021, with the 'Fit for 55' legislative package, the European Commission is expected to revise a number of legislative acts to reach its 2030 and 2050 objectives. These acts are related to renewables, energy efficiency, energy performance of buildings, energy taxation and emissions trading.



Recommendations for the Presidency



We encourage the Slovenian Presidency to develop Council conclusions on the Renovation Wave Strategy to testify to its political importance. At the same time, we urge the Presidency to send clear demands to the Commission for upcoming legislative revisions.

What we need to succeed

- Consumers should be able to access tools and receive incentives for the renovation of their homes. They must be made aware of the energy performance and environmental impact of their homes and should be provided with key information about how much money they could potentially save following a renovation.
- Consumers should have easy access to one-stop shops where they can receive advice on energy efficiency, and reliable information and support throughout the entire process of improving their situation (including housing energy efficiency, adopting renewable energy technologies and self-consumption, management of bills and consumption). Consumers need independent, impartial, quality and ideally local energy efficiency advice that is free of charge and accessible to all, particularly those in vulnerable circumstances.
- Heating and cooling must become greener, smarter and more protective of consumers. The EU has put a lot of effort into ensuring that electricity markets in particular are digitalised, decarbonised, competitive and consumer-centric. However, it is still necessary to improve competition and consumer rights and protections, as well as to increase efficiency and shift to renewable sources in the heating and cooling sector.
- Consumer choices should be steered by fiscal policies, as an effective carbon price can indeed encourage households to buy fewer emissions-intensive products. However, a carbon price must be accompanied by social measures that reduce energy costs for households, especially for consumers with low incomes and in vulnerable situations. Revenues should in turn be steered towards energy efficiency improvements in households. At the same time, the EU's energy taxation rules should be revised so that they are in line with EU climate objectives.
- Consumers must be provided with investment incentives, as today's decisions will determine whether or not Europe becomes carbon neutral. Housing renovations and clean technologies require significant initial investments, which may not be feasible for low-income households and tenants living in multi-storey buildings. Solutions such as support schemes, renovation programmes, leasing schemes and incentives for landlords will be key. The banking sector should adapt, so that for example green mortgages and green loans become the default option for consumers.
- Initiatives implementing the EU's Renovation Wave Strategy, as well as EU funding, should pay particular attention to low-income households and those living in energy poverty and in vulnerable situations. The Renovation Wave Strategy and its related policies will only be successful if they are inclusive. Dedicated funding for building renovations, including for vulnerable consumers, should therefore be put in place.
- The development of district heating, i.e., the distribution of heat or cooling through a network to multiple buildings, can be a good solution for climate change. This should be accompanied by the establishment of strong consumer rights in this sector. Rights currently included in the electricity market should be mirrored for district heating.

ADDITIONAL SOURCES

How to make district heating fit for consumers
Position paper
[BEUC-X-2021-044](#)

How to make one-stop shops consumer-friendly
Position paper
[BEUC-X-2021-048](#)

How to make Energy Performance Certificates consumer-friendly
Position paper
[BEUC-X-2021-046](#)

How to make energy efficiency improvements work for consumers
Preliminary views on revision of Energy Efficiency Directive
[BEUC-X-2021-045](#)

How to make renewable energy the obvious choice for consumers
Preliminary views on revision of the Renewable Energy Directive
[BEUC-X-2021-043](#)

Five things you need to know to have consumers on board with Home Renovation Wave
Factsheet
[BEUC-X-2021-023](#)

The consumer checklist for fair and efficient carbon pricing
Factsheet
[BEUC-X-2020-100](#)

Europe's Energy System needs household flexibility to go carbon neutral – Six things you need to know to get consumers onboard
Factsheet
[BEUC-X-2020-073](#)

CEER-BEUC 2030 Vision for Energy Consumers
[BEUC-X-2020-094](#)

CLEAR 2.0
Factsheet
[BEUC-X-2020-008](#)

What CLEAR 2.0 project taught us: Results and recommendations
Position paper
[BEUC-X-2020-009](#)

13 steps to combat energy poverty
Policy recommendations

The future of energy consumers: Bright or burdensome?
Position paper
[BEUC-X-2019-055](#)

For more information: energy@beuc.eu



INTERNATIONAL AFFAIRS

1

New transatlantic cooperation agenda

Why it matters to consumers

Consumers could benefit from a more open and stable transatlantic market. Encouraging regulators on both sides to talk to each other so that consumers are better protected could have positive results. It is key to ensure that the primary objective of these dialogues is to protect consumers while facilitating trade.

State of play in legislative procedure



In December 2020, the **European Commission** published a communication outlining its proposal for a new EU-US cooperation agenda. In this communication, the EU proposed cooperation with the US in the areas of health, sustainability and digital policies.

Recommendations for the Presidency



We call on the Slovenian Presidency to ensure that any type of cooperation with the US will be designed to benefit and protect consumers, and that it will be conducted transparently.

What we need to succeed

As has been done for trade negotiations, the EU should define a governance policy for its planned cooperation with the US. This policy should be based on the following checklist:

- Consumer protection and consumer welfare are the overarching objectives of the cooperation and are at least on equal footing with the objective of trade facilitation.
- The various cooperation dialogues are transparent. This means that the public is aware of who takes part in the discussions; that the agenda and minutes of meetings are published in a timely manner; and that the Commission regularly informs civil society of the state of play.
- The relevant regulators and sector specialists – such as DG Justice and Consumers – are in the driver’s seat in discussions concerning the cooperation.
- Safeguards are put in place to prevent any regulatory ‘chilling effect’. This means that the cooperation is conducted on a voluntary basis and that regulators are not obliged to disclose draft laws nor to reply to comments from stakeholders.

ADDITIONAL SOURCES

BEUC recommendations on trade negotiations and regulatory dialogues with the United States
[BEUC-X-2019-011](#)

BEUC letter to President von der Leyen on the new cooperation agenda
[BEUC-X-2020-123](#)

The Transatlantic Consumer Dialogue positive trade agenda Vision paper (March 2017)

2

World Trade Organization e-commerce negotiations

Why it matters to consumers

E-commerce would not be the success it is without consumers: its continued growth depends on their trust in the market. This is why consumers must be at the heart of the e-commerce initiative developed by the World Trade Organization (WTO). Any agreement, be it multilateral or plurilateral, must protect and deliver benefits to consumers.

State of play in legislative procedure



In January 2019, 76 countries – including the EU 28 – announced the launch of plurilateral negotiations on e-commerce. The **Commission's** first engagement in the negotiations was in April 2019, with the submission of a proposal covering a large range of issues from online consumer trust to telecoms, net neutrality and cross-border data flows.



In May 2019, the **Council** adopted complementary negotiating guidelines for these e-commerce negotiations, supplementing the existing WTO Doha Round mandate. Since then, several rounds of negotiations have taken place in Geneva. A consolidated text was agreed upon in December 2020. The co-conveners of these negotiations aim to agree on 30 topics by the summer of 2021, and to achieve further results looking ahead to the 12th WTO Ministerial Conference in December.

Recommendations for the Presidency



We call on the Slovenian Presidency to ensure that the outcome of the WTO e-commerce negotiations will protect and benefit consumers. As the scope is likely to go beyond e-commerce, for example covering larger digital trade issues, we call on the Presidency to exercise caution so that the EU does not put citizens' fundamental rights at risk. Sensitive issues for consumers – such as cybersecurity and artificial intelligence – must first be addressed in EU law. Otherwise, there is a risk that weak levels of protection will be locked into the trade agreement. This would limit the ability of the EU to enhance consumer protection in the future.

What we need to succeed

- The negotiations should bring tangible benefits to consumers. Such benefits could notably come from voluntary provisions on online consumer trust, mirroring what the EU proposed to Australia and New Zealand. The agreement could go even further by calling for transparent and affordable telecoms prices for consumers. There should also be political will for stronger co-operation between regulators dealing with consumer protection, from enforcement to product safety authorities.
- The EU must fully preserve its ability to protect citizens' personal data and privacy. The rules on data flows agreed in the EU-UK trade and cooperation agreement should not be used as a model for WTO e-commerce. As stressed by the European Data Protection supervisor in a recent [opinion](#), the EU must instead use its horizontal position on cross-border data flows, data protection and privacy in trade agreements agreed in 2018.
- On net neutrality, we call on the Slovenian Presidency to prevent any flexibility that would result in limiting access to the internet for EU citizens.
- The EU should prevent the inclusion of rules related to cybersecurity in this plurilateral context. It should not limit its ability to regulate on cybersecurity nor promote self-regulation as an alternative. This is key to ensuring that connected products can become safer for people.
- The EU should ensure that WTO e-commerce does not prevent authorities from auditing automated decision-making processes by banning their access to the algorithms expressed in the source code of self-learning algorithms (i.e. artificial intelligence). This is key to preventing bias and discrimination, as well as to protecting people's fundamental rights.
- Negotiations about e-commerce must be transparent and should meaningfully engage civil society. Negotiating proposals and consolidated texts should be made public so that consumers know what is being negotiated on their behalf. The EU should encourage the co-conveners of the initiative to organise public briefings in Geneva.

ADDITIONAL SOURCES

WTO e-commerce negotiations
BEUC recommendations
[BEUC-X-2019-014](#)

International negotiations on e-commerce
(digital trade) at the WTO Factsheet
[BEUC-X-2019-015](#)

Consumer and digital rights groups call
on the international joint initiative on
e-commerce to safeguard
data protection and privacy
Statement
[BEUC-X-2020-112](#)

Study commissioned by BEUC German
member vzbv: AI regulation in the EU and
trade law, how can accountability of AI and
a high level of consumer protection prevail
over trade discipline on source code?

3

Trade agreements with Australia and New Zealand

Why it matters to consumers

The goal of the EU's ongoing trade negotiations with Australia and New Zealand is to "help to deliver jobs, growth and investment, benefitting EU businesses and citizens alike". An agreement could indeed benefit consumers if it is well designed, consumer oriented, and adapted to today's public interest needs.

However, current trade agreements fail to fully achieve these objectives. Specific consumer issues often play only a minor role during the negotiation phase. Tariff reductions are often the only actual outcomes that could benefit consumers, but these reductions are usually not automatically passed on to them. Furthermore, tangible benefits – such as reduced telecoms prices, geo-blocking practices and easy access to redress – are absent from current trade agreements. Consumer protection is not always guaranteed, and it can be undermined by tools like regulatory co-operation and investment protection if the agreement is not carefully designed.

State of play in legislative procedure



In 2017, the **Commission** recommended that the **Council** approve the launch of negotiations with both Australia and New Zealand. **The European Parliament** adopted resolutions in 2017 that supported the opening of trade negotiations with both countries under the condition that the highest level of consumer protection would be guaranteed. The Council authorised the Commission to open formal negotiations with both countries in May 2018, and the negotiations were officially launched in July 2018. Ten rounds of negotiations with both countries have taken place so far. The EU has proposed ambitious rules for consumers, notably to enhance their online trust. Some proposals have already been merged into consolidated texts.

Recommendations for the Presidency



We call on the Slovenian Presidency to ensure that the talks with Australia and New Zealand contain safeguards to protect consumers, and tools to bring them tangible benefits.

What we need to succeed

- The EU needs to convince its Pacific partners of the value of its positive proposals for consumers. For instance, the EU needs to remain firm on its willingness to enhance online consumer trust in the chapter on digital trade. It should also insist on its approach to protect human health as a first priority and to cooperate on antimicrobial resistance in the sanitary and phytosanitary chapter.
- The EU should ensure that its horizontal position on cross-border data flows, data protection and privacy in trade agreements remains non-negotiable. This is key to ensuring consumer trust in trade and preserving fundamental rights.

ADDITIONAL SOURCES

Australia

The consumer checklist for a positive
EU-Australia trade agreement
Factsheet

[BEUC-X-2018-051](#)

New Zealand

The consumer checklist for a positive
EU-New Zealand trade agreement
Factsheet

[BEUC-X-2018-050](#)

The consumer checklist for a positive
EU-Australia trade agreement
Position paper

[BEUC-X-2018-053](#)

The consumer checklist for a positive
EU-New Zealand trade agreement
Position paper

[BEUC-X-2018-052](#)

BEUC model for a consumer chapter
in trade agreements
Position paper

[BEUC-X-2017-096](#)

For more information: international@beuc.eu



FOOD

1

Farm to fork: A fair, healthy and environmentally-friendly food system

Why it matters to consumers

Food production and consumption in the EU is currently not sustainable from the environmental, economic and social points of view. Of all the activities linked to household consumption, food has the greatest environmental impacts. Furthermore, what consumers put on their plates is not in line with healthy eating guidelines; on average, Europeans eat too much energy-dense food (high in fat, sugars, and salt). The consumption of red and processed meat is also too high, while that of fruit, vegetables, pulses, nuts and wholegrains is insufficient. COVID-19 has brought a stark reminder of the importance of good health, which is generally defined by what and how much we eat.

A survey recently published by BEUC shows some encouraging trends regarding consumer willingness to adopt more sustainable food habits. But these trends are not commensurate with the shift that experts say is needed. Price, lack of information, and the challenge of identifying sustainable food options as well as their limited availability are the main perceived barriers to sustainable eating for consumers.

State of play in legislative procedure



On 20 May 2020, the **European Commission** published the Farm to Fork Strategy, which should shift EU food production and consumption onto a more sustainable path. A major component of the overarching EU Green Deal, the strategy comes together with an action plan listing 27 measures (many still subject to consultations and impact assessments) that pave the way for greener food production, healthier and more sustainable diets, and less food waste.



The Farm to Fork Strategy has been communicated to the **Council** and the **European Parliament**. The Council adopted conclusions on the Strategy in October 2020, while the European Parliament is currently discussing its reaction to the Commission's proposals.



Recommendations for the Presidency

Given the significance and relevance of the Farm to Fork Strategy to European consumers, we urge the Slovenian Presidency to continue fostering discussion on its contents among the Member States.

What we need to succeed

- Food production must become more sustainable all along the supply chain. BEUC welcomes the ambitious targets set by the Farm to Fork Strategy, e.g. for reducing the use of pesticides and antimicrobials in farming.
- For consumers to make better informed choices, food labelling must be improved. This must include:
 - A mandatory EU-wide front-of-pack nutritional label to make the healthy choice easier for consumers. Evidence to date shows that Nutri-Score is the best-performing labelling scheme in aiding consumers to compare the nutritional value of foodstuffs.
 - Mandatory country-of-origin labelling for milk, as well as for meat and milk used as ingredients in processed foods. Indication of the origin of fresh meat should also become compulsory in restaurants and in the food service sector.
 - Nutrient profiles to prevent food that is high in fat, sugars and/or salt from claiming nutritional or health benefits.
- However, a focus on consumer choice and individual responsibility alone will not be enough to bring about the significant changes in food habits that are required. The food environment (i.e. all factors that shape consumer choices, such as pricing, availability and marketing) must change in a way that makes it easy for consumers to adopt healthy and sustainable diets. Specifically:
 - More than a 'code of conduct', we need binding restrictions on the marketing of food that is high in fat, sugars and/or salt to children.
 - BEUC welcomes the Farm to Fork Strategy ambition to ensure that the most sustainable food also becomes the most affordable.
 - There must be greater coherence between the various EU policies (agriculture, health, environment, trade, etc.) that affect food. All forms of agricultural subsidies and promotion policies should be better aligned with recommendations for healthy and sustainable diets. Likewise, the EU's trade policy needs to be an enabler rather than a creator of obstacles on the journey towards food sustainability.

ADDITIONAL SOURCES

One bite at a time: consumers and the transition to sustainable food
BEUC survey
[BEUC-X-2020-042](#)

Joint letter to the European Commission regarding mandatory Nutri-Score
[BEUC-X-2020-029](#)

Front-of-pack nutrition labelling
Position Paper
[BEUC-X-2019-033](#)

Towards greener and healthier food for European consumers
BEUC's take on the Farm to Fork strategy
[BEUC-X-2020-057](#)

For more information: food@beuc.eu



HEALTH

1

Lessons learned from COVID-19

Why it matters to consumers

The COVID-19 crisis represents an unprecedented challenge for our healthcare systems. It has brought to light significant shortcomings in EU and national public health policies. For example, it has shed light on the vulnerabilities of the medicine supply chain and the need for permanent cooperation mechanisms among Member States to respond more effectively to public health emergencies.

The crisis has also provided new momentum to the digitalisation of health and care, for example through the deployment of COVID-19 tracing apps. Although digitalisation holds the potential to significantly advance our knowledge about disease prevention and treatment, health data also contains the most sensitive details about individuals' medical histories and well-being. As such, guaranteeing data privacy, security and accuracy and including consumer needs are all imperative so that consumers can benefit from the advantages offered by digital health.

State of play in legislative procedure

In November 2020, the **Commission** put forward several legislative proposals to strengthen the EU's capacity for health crisis preparedness and management. This includes a proposal to extend the mandate of the European Medicines Agency so it can help to mitigate shortages of medicines and medical devices. In addition, the Commission announced a proposal to establish a Health Emergency Preparedness and Response Authority (HERA) to help speed up the development and availability of medical countermeasures. Finally, the Commission intends to create a European Health Data Space to promote the exchange of health data and to support research.



Recommendations for the Presidency

BEUC urges the Slovenian Presidency to lead the Council in equipping the Union with the right tools to prepare for and respond to future crises, building on lessons learned from the COVID-19 pandemic. This includes reinforcing the European Medicines Agency's role in the prevention and management of shortages for medicines and medical devices.



What we need to succeed

- The EU must step up action to address the shortage of critical medicines and medical devices, building on the initiatives put in place during the COVID-19 pandemic. This requires strengthening the European Medicine Agency's role as proposed by the European Commission. It is important to ensure that consumers are well represented in the various structures and processes that should arise from the adoption of the proposed regulation.
- The EU should promote R&D models that contribute not only to the development of medical countermeasures that help address serious cross-border health threats, but also to their affordability. The ongoing HERA Incubator initiative, which supports the development of COVID-19 vaccines against new variants, and the future HERA itself, must ensure that disbursed R&D funding goes hand in hand with conditions related to affordability. This should be a key point of action under the ERAvsCorona Action Plan adopted by Member States and the European Commission.
- EU action is needed to ensure that medicines are available and affordable to all consumers. The EU Pharmaceutical Strategy and the future revision of the general pharmaceutical legislation present a unique opportunity to ensure equitable access to medicines in Europe and improved health outcomes.
- When deploying digital technologies to mitigate the spread of COVID-19, the EU must promote the right balance between public health and fundamental human rights. Measures affecting the confidentiality of communications or involving personal data processing must be necessary, proportionate, limited for the duration of the crisis, voluntary, non-discriminatory, supervised and aimed at being effective in COVID-19 mitigation. The future European Health Data Space must be developed and operated with full respect to data protection rules, while guaranteeing security, accuracy and the inclusion of consumer needs.

ADDITIONAL SOURCES

A more powerful EMA to better protect consumers in crisis situations
Position paper
BEUC-X-2021-033

Ensuring access to safe, effective and affordable COVID-19 vaccines
Position paper
BEUC-X-2020-110

Addressing medicines shortages during the COVID-19 pandemic and beyond
Position paper
BEUC-X-2020-034

AI must be smart about our health: BEUC position on artificial intelligence in healthcare
Position paper
BEUC-X-2019-078

Consumer-centred EU pharmaceutical strategy
Position paper
BEUC-X-2020-085

Digital health: Principles and recommendations
Position paper
BEUC-X-2018-090

2

Access to medicines and health technology assessment

Why it matters to consumers

Confronted with skyrocketing prices for medicines and limited public budgets, governments are forced to make very hard choices about which treatments to reimburse. Consumers must increasingly make 'out-of-pocket' payments in order to receive timely treatment, and they run the risk of not being reimbursed. This deepens existing health inequalities in the EU.

While some new medicines offer consumers additional value in comparison with existing treatments, others don't. Superfluous drugs waste taxpayers' money and, when reimbursed by healthcare systems, eat up budgets that could otherwise be spent on innovative treatments for consumers. Better management of public healthcare budgets can lead to better access to needed medicines.

State of play in legislative procedure



In January 2018, the **Commission** presented a legislative proposal on Health Technology Assessment (HTA). This proposal aims to foster collaboration between national HTA bodies at EU level to avoid duplication in the current assessments. The added value will be efficiency gains in the assessment of new drugs and medical devices, and the facilitation of decisions by national authorities on which treatments to reimburse.



The **European Parliament** adopted its position at first reading in February 2019, while the Portuguese Presidency announced in March 2021 that the **Council** had agreed on its negotiating position.



Recommendations for the Presidency



We call on the Slovenian Presidency to take any necessary steps that pave the way for a permanent and impactful EU framework of cooperation.

What we need to succeed

- Pricing and reimbursement decisions should reward truly innovative products that offer added therapeutic value in comparison with existing alternatives. A well-established EU framework for HTA cooperation can contribute to this and can ensure that consumers get value for their money.
- To this end, the future EU cooperation framework must result in high-quality assessments for all of the evaluated medicines and medical devices. It will be important to ensure good governance in the new HTA system, with transparent decision making and strict rules on conflicts of interest. Consumers must be given a voice and provided opportunities to contribute to HTA processes, for example during the drafting of the work programme of the Coordination Group and during joint clinical assessments.
- To ensure impact, joint reports should be used at the national level. At the same time, countries should have enough flexibility to complement the joint assessments with any additional evidence that is relevant in the national context.

ADDITIONAL SOURCES



Making sure consumers access treatments that work at a fair price
Position paper
BEUC-X-2019-004



For more information: health@beuc.eu



FINANCIAL SERVICES

1

The Commission's plans to deal with non-performing loans

Why it matters to consumers

In December 2020, the European Commission published an Action Plan aimed at tackling the rise of non-performing loans following the COVID-19 pandemic. Non-Performing Loans (NPLs) – loans that are subject to late repayment or that are unlikely to be repaid – are expected to rise sharply in the wake of the pandemic.

The Action Plan urges the European legislature to quickly agree on the Commission's 2018 proposal for a Directive on Credit Servicers and Credit Purchasers (the NPL Directive). The NPL Directive would allow banks to easily sell their non-performing loans to third party investors, including so-called 'vulture funds' and debt collectors that have a long history of unfair and aggressive debt collection practices towards consumers. BEUC argues that the proposed EU rules should be accompanied by sufficient safeguards and protections for consumers.

The Commission's Action Plan also announced a Roundtable in February 2021 on COVID-19 relief measures, and steps that could be taken to ensure continued support for struggling consumer borrowers after the phasing out of the loan moratoria. It is crucial that consumers who are in financial distress due to the ongoing crisis continue to receive appropriate support, including in the form of tailored forbearance measures from their bank.

State of play in legislative procedure

The **Commission's** proposals for an NPL Directive were published in March 2018. The **Council's** general approach was adopted in March 2019, and the **European Parliament's** Committee on Economic and Monetary Affairs (ECON) adopted its report in January 2021. Trilogue negotiations are ongoing.



Recommendations for the Presidency



We urge the Slovenian Presidency to ensure that the interests of individual borrowers are protected under the Commission's plans to reduce NPLs in Europe. NPLs are a legacy of the recent financial crisis and irresponsible lending practices by certain financial institutions. As higher NPL volumes are expected in the aftermath of the COVID-19 pandemic, the problem must not be borne by distressed borrowers alone. Exposing borrowers to debt investors and collectors is neither an adequate nor a sustainable way to tackle NPLs. We also stress the importance of ensuring continued support for borrowers struggling to repay their loans due to the COVID-19 crisis. Appropriate support for consumer borrowers would prevent a rise in NPLs and would benefit financial stability as well.

What we need to succeed

- We welcome the report of the Parliament's ECON Committee on the NPL Directive, which proposes to include rules on borrower protection, including conduct rules for debt-collectors, information requirements for consumer borrowers and provisions on forbearance. We firmly believe that these rules should be incorporated in the final version of the NPL Directive.
- Short-term measures must be adopted to ensure that banks grant appropriate forbearance measures to distressed consumer borrowers as a result of the ongoing COVID-19 crisis. These measures should be in the consumers' interest and adapted to their individual circumstances. The costs of such measures should be minimised and should be fully transparent, and short-term measures should not have an impact on the consumer's credit score.
- In the longer term, the revised Consumer Credit Directive (CCD) and Mortgage Credit Directive (MCD) should include an obligation for lenders to grant appropriate forbearance measures to distressed consumer borrowers. In addition, specific provisions on the need to refer such consumers to free and impartial debt advice services should be included, and such services should be developed across the EU.

ADDITIONAL SOURCES



Secondary market for non-performing loans:
The European Commission's proposal is a bad deal for distressed borrowers
Position paper

BEUC-X-2018-068

2

Revision of the Consumer Credit Directive

Why it matters to consumers

Credit helps consumers to finance the buying of a home and their children's education, as well as to purchase goods. But the consequences for borrowers, lenders and the economy's stability can be immense when credit is misused, becomes unsustainable and causes over-indebtedness. Borrowers need to be protected from irresponsible lending practices, which are an important cause of over-indebtedness. The importance of measures to prevent over-indebtedness has considerably increased in the light of the COVID-19 pandemic, as many consumers are being hit by unemployment and income loss.

Since the adoption of the Consumer Credit Directive (CCD) in 2008, important developments have taken place in Europe including a major financial and economic crisis and the COVID-19 pandemic. In addition, digitalisation has led to the widespread online distribution of credit as well as the emergence of new business models such as peer-to-peer lending. These models create additional risks for consumer borrowers. BEUC therefore believes that the revision of the 2008 CCD, which was initiated during the Portuguese Presidency, should foresee strict and consumer-centric lending obligations for all consumer credit providers and intermediaries in Europe.

State of play in legislative procedure



The **European Commission** recently published its Report and Evaluation of the CCD. It found that the objectives of the Directive, in particular the ensuring of high standards of consumer protection, have only been partially achieved. The Commission stressed that the CCD does not offer protection for the rapid digitalisation of the sector and the development of new products. It also highlighted the need to review certain provisions in the Directive regarding its scope, the credit-granting process, and definitions. The European Commission published its proposal for a revised CCD in June 2021.

Recommendations for the Presidency



We call on the Slovenian Presidency to fully support the inclusion of responsible lending principles in the revised CCD, encompassing the entire life cycle of credit products. The revised CCD should include appropriate safeguards to prevent situations of over-indebtedness, for the benefit of consumers and the economy as a whole.

What we need to succeed

- **Scope:** The scope of the CCD should be extended to loans below €200 in order to ensure that loan providers extending small loans act responsibly. The list of credit products currently exempted from the CCD should be reviewed, and peer-to-peer lending as well as free forms of credit such as ‘buy now pay later’ schemes should be included in its scope.
- **Creditworthiness assessment:** The CCD obliges lenders to assess the ability of consumers to repay their credit through a creditworthiness assessment. Clear rules should be set in the EU Directive to guarantee a high and even level of consumer protection. For instance, the CCD should prohibit the provision of credit in case of a negative creditworthiness assessment.
- **Alternative data:** Credit intermediaries increasingly rely on alternative consumer data from non-traditional sources to build consumer credit scores. This creates the risk of discrimination for consumers and raises concerns about data protection and privacy. Rules should be adopted in the CCD to ensure that only well-founded and pertinent data about consumers is used by creditors when assessing the suitability of a credit offer. It should also be fully transparent to consumers which of their data is considered during the assessment, and they should have the right to object in case they disagree with any automated decision reached about their creditworthiness.
- **High-cost credit:** High-cost credit often leads to issues of affordability and spiralling debt for consumers. The EU should introduce measures to prevent excessive costs associated with credit by establishing an EU-wide interest rate ceiling based on existing good practices at the national level. A lower cap should be put in place for environmentally sustainable loans (“green loans”), which should be further developed with favourable conditions for consumers.
- **Unsolicited credit:** The EU should introduce a ban on unsolicited credit sales, based on good national practices in EU Member States. Unsolicited credit pushes consumers to borrow and spend beyond their means and harms consumers’ ability to save and better manage their personal finances.
- **Economic and social disruptions:** The COVID-19 pandemic has shown that measures are needed to safeguard the interest of borrowers in situations of exceptional and systemic economic disruption. In case of systemic disruptions, clear rules are needed under the CCD to give consumers the possibility to suspend repayments for a minimum period.
- **Fair treatment of borrowers in payment difficulty:** Finally, the CCD should include an obligation for creditors to treat borrowers who are having difficulties with repayment fairly. Provisions should oblige lenders to grant forbearance measures to consumers in financial difficulty, and to refer them to impartial and free debt advice services in their area.

ADDITIONAL SOURCES

Review of the Consumer Credit Directive
Position paper
BEUC-X-2019-019

For more information: financialservices@beuc.eu

3

Instant payments

Why it matters to consumers

Some banks now offer instant payment, a transfer whereby the beneficiary receives the funds in less than five seconds. This new transfer is extremely useful for consumers as it shares a characteristic of cash: the money is available immediately following payment. But the immediacy of this type of transaction also presents risks.

State of play in legislative procedure



The **European Commission** published its [Retail Payments Strategy](#) in September 2020. This document confirms the intention to foster the take-up of instant payments in the EU and lists several possible initiatives to support this objective. In March 2021, the European Commission launched a new consultation on adopting an initiative on instant payments in the EU (an [inception impact assessment](#)).

This legislative initiative is expected to be presented during the second semester.

Recommendations for the Presidency



We recommend that the Slovenian presidency follows the line developed by the European Council in its [conclusions](#) dated 22 March 2021 about the Retail Payments Strategy.

What we need to succeed

- To allow the development of instant payments, BEUC considers the following measures as necessary:
 - Targeted measures to modify or cancel transactions.
 - Measures to prevent fraud, such as the use of the use of 'request to pay' or 'confirmation of payee' solutions.
 - Reachability being an essential element, banks providing transfer services should also provide instant payments services.
 - The information provided by BEUC members shows large variations in the additional fees that banks charge for instant transfers. These additional charges are significantly higher than those associated with traditional transfers, and this is not acceptable.
 - Instant transfers will give the consumer the option of paying by transfer in stores. The consumer's freedom of choice with respect to the various payment instrument must be guaranteed.

ADDITIONAL SOURCES

Consumers and instant payments: Answers to the Commission's consultation on the content of a new legislation
BEUC-X-2021-027

A retail payments strategy for the EU
Position Paper
BEUC-X-2020-072

For more information: financialservices@beuc.eu



Consumer Rights

1

Empowering the consumer for the green transition

Why it matters to consumers

There is growing interest amongst consumers to choose more sustainable products, and in this way to reduce the negative impact their consumption has on the climate and the environment. However, to make sustainable choices, consumers need reliable information that will help them to identify the best products on the market. They also need to be equipped with stronger rights that allow them to play a more active role in the transition to a circular consumption model.

State of play in legislative procedure



In March 2020, the **Commission** announced its second Circular Economy Action Plan. This plan includes initiatives for empowering consumers in the green transition and for substantiating green claims. These legislative proposals are scheduled to be adopted in the last quarter of 2021.

Recommendations for the Presidency



BEUC urges the Slovenian Presidency to support an ambitious set of measures that will allow consumers to participate actively in the green transition. We encourage the Presidency to promptly kick off the negotiations following the publication of these proposals and to give them the high priority they deserve.

What we need to succeed

- Consumers need clear, comparable and credible information about the environmental characteristics of products, such as their lifetimes and repairability.
- The premature obsolescence of consumer goods should be tackled by:
 - Expanding legal guarantees for longer lasting products, which would raise consumers' confidence in the market and their willingness to pay more for better quality products.
 - Further expanding the reversal of the burden of proof to allow consumers to make an effective use of their legal guarantee rights.
 - Introducing a direct producer liability that imposes the liability on the party that is in most cases responsible for the product defect, and to thereby create an incentive to produce better quality products.
- Unfair practices related to the obsolescence of consumer goods should be tackled in the upcoming Commission proposal.
- The proliferation of misleading green claims on the market can be tackled by introducing a pre-approval scheme for all green claims and labels, inspired by the one already in place for the health and nutritional claims of food (Regulation 1924/2006).
- Consumers need a 'right to repair', which would make repairs more available, cheaper and more attractive for them. Consumers should be also informed about the repairability of particular products before they make a purchase.

ADDITIONAL SOURCES

Getting rid of greenwashing
Position paper
[BEUC-X-2020-116](#)

Getting rid of greenwashing
Factsheet
[BEUC-X-2020-115](#)

Consumers at the centre
of the drive to sustainability:
BEUC's views on the European Green Deal
Position paper
[BEUC-X-2020-012](#)

2

Revision of the Air Passenger Rights Regulation

Why it matters to consumers

The existing Air Passenger Rights Regulation (261/2004) has significantly improved the situation of passengers through the granting of basic rights. However, enforcement of these rights has been defective and inconsistent. Even well before the COVID-19 pandemic, problems were widespread and consumer complaints of poor compliance were rising steadily. Unclear and incomplete information from airlines – including information on the right to a monetary reimbursement or compensation – has caused a great deal of consumer frustration and chaos. Over the past years, this was demonstrated by Ryanair’s mass cancellation practices that often left passengers in the dark, not knowing whether their flights would be cancelled and whether they would reach their planned destinations on time.

These and other examples are evidence that passengers are often left with the sole alternative of taking legal action against non-compliant airlines, although few are in the position to actually 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 so as to ensure that passengers can more easily enforce their rights. However, existing rights should not be weakened in the process and the CJEU rulings should be codified in EU law.

The COVID-19 crisis has further demonstrated how important it is for European consumers to be able to rely on strong, clear and enforceable passenger rights, and how enforcement addressing the widespread unfair practices in the sector needs to be strengthened.

State of play in legislative procedure



European
Commission

BEUC gave a lukewarm welcome to the **European Commission’s** spring 2013 proposal to update the Air Passenger Rights Regulation. Our reservations focused mainly on the weakening of some of the existing rights (notably with regard to how to establish the delay that triggers compensation, and requests for assistance and compensation in ‘extraordinary circumstances’).



European
Parliament

The **European Parliament’s** position adopted in February 2014 considerably improved the Commission’s proposal on many issues, but negotiations in the **Council** of Ministers soon became deadlocked. Only during the Croatian Presidency did the Council resume the negotiations on the key elements of the proposal and chart the way forward.



Council

In January 2020, the Commission published a study on the protection of EU passenger rights that highlights the great number of issues encountered by European passengers in enforcing their rights.

The recent COVID-19 crisis has further underlined these shortcomings, with many airlines refusing to respect consumer rights.

Recommendations for the Presidency



In the case that the Slovenian Presidency resumes discussions on EU passenger rights, we call for the focus to be on improving the protection and the enforcement of air passenger rights. We also call on the Presidency to reject any attempt to introduce derogatory measures to the Air Passenger Rights Regulation during this crisis period.

What we need to succeed

- The rules relating to compensation in the event of cancellation must be maintained, and airlines should compensate passengers when delayed arrivals exceed three hours, as per the CJEU Sturgeon ruling.
- The right to compensation should not depend upon a proactive request by the passenger. To the contrary, innovative schemes should be considered to strengthen the enforcement of the Regulation. These could include automatic compensation schemes; mandatory participation in Alternative Dispute Resolution (ADR) bodies with binding decisions; or an expansion of the applicability of individual enforcement decisions to all passengers travelling on the same flight and thus having the same cause for compensation.
- The new Regulation should include an outright ban on the denied boarding of a connecting or return flight when a passenger has not taken or has missed the outbound leg (so-called 'no-show clauses').
- The majority of 'technical problems' should not qualify as 'extraordinary circumstances'; staff strikes should never be considered as 'extraordinary circumstances'.
- Information on the reasons for travel disruptions and the associated passenger rights must be proactively communicated by airlines to consumers within 30 minutes of the occurrence of the disruption.
- The right of passengers to file complaints with airlines should not be time limited.
- Re-routing should be granted as soon as possible and must involve alternative means of transport. The right to re-route should also be granted to passengers subjected to long delays. A mandatory insolvency protection scheme should be introduced in the reviewed Regulation 261/2004, as was demanded by the European Parliament position in 2014 and confirmed by its resolution following the bankruptcy of Thomas Cook in 2019. This need was further highlighted during the COVID-19 crisis. Such an insolvency protection scheme should cover at the very least reimbursement, repatriation of passengers, and any voluntary vouchers proposed to consumers as an alternative to monetary reimbursements.
- Air passenger rights must be maintained in times of crisis. The reform should not be a pretext to introduce any derogatory measures to Regulation 261/2004 (e.g. suspension of the right to monetary reimbursement, imposition of vouchers, or a longer time frame before proceeding to cash reimbursement).
- The full pre-payment business model of airlines should be reviewed. An alignment of the provisions of the Air Passenger Rights Regulation 261/2004 and the EU Package Travel Directive on this specific point should be envisaged.
- Passengers should have the right to transfer their tickets to another person should they not travel (e.g. for package travellers) and should be able to correct spelling mistakes in their names at no additional cost.
- 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.
- The general right to accommodation in extraordinary circumstances must be maintained.

ADDITIONAL SOURCES

EU Air Passenger Rights and Enforcement:
Real improvements are needed
BEUC updated position paper
[BEUC-X-2019-083](#)

Enforcement of air passenger rights in the
COVID-19 context: BEUC comments,
concerns and recommendations
Letter to Commissioner Vălean
[BEUC X-2020-015](#)

Air Passenger Rights: BEUC comments on
Commission draft interpretative guidelines on
Regulation 261/2004 on air passengers' rights
[BEUC-X-2016-034](#)

BEUC's position on travellers' rights
during the COVID-19 crisis
[BEUC-X-2020-030](#)

Protection of passengers in case
of insolvency of airlines
Position paper
[BEUC X-2011-105](#)

A Coordinated Strategy for the Exit and
Recovery of the Aviation Industry
From the COVID-19 Crisis
BEUC's contribution to the roundtable
[BEUC-X-2020-076](#)

Enforcement of air passenger rights in the
COVID-19 context
Letter
[BEUC X-2020-015](#)

For more information: consumer-rights@beuc.eu



COMPETITION

1

Digital Markets Act

Why it matters to consumers

Digital Markets play an ever more significant role in consumers' lives. Digital players, including the big platforms, have brought consumers many benefits. However, as the power of these players increases, the risk of misuse with detrimental effects for consumers also rises, as seen in the multiple enforcement cases against big tech. In short, the monopolisation of services such as social networks and search tools can lead to consumers becoming locked-in and deprived of meaningful choices.

Existing EU tools are insufficient for dealing with the risks that powerful platforms pose for consumers and for stopping this harmful trend. Furthermore, national measures are also not capable of dealing with these global players and would lead to the fragmentation of the Single Market. The proposed Digital Markets Act (DMA) and Digital Services Act (DSA) are therefore important instruments for ensuring that the online world better serves the interests of Europe's consumers in the future.

State of play in legislative procedure

In December 2020, the **European Commission** proposed a Digital Markets Act (DMA) to specifically address the problems created by gatekeeping platforms.



Recommendations for the Presidency



BEUC urges the Slovenian Presidency to support an ambitious approach to the Digital Markets Act so that digital markets become fairer and more contestable. We encourage the Presidency to find consensus in Council, taking into account the calls of consumer organisations to better reflect the needs of consumers in digital markets.

What we need to succeed

To ensure that the final DMA optimally serves consumers, a number of key areas in the proposal must be strengthened by the co-legislators during the process of adopting the legislation. These areas include:

- Greater emphasis on consumer interests.
- Closing gaps in the scope of gatekeepers' obligations, most importantly:
 - Adding an interoperability obligation for social networks and instant messaging services to enable contestability of these core platform services and consumer choice.
 - Prohibiting not only technical barriers that affect consumer choice but also barriers stemming from the use of 'dark patterns' to prevent consumers from exercising the rights recognised in the DMA.
- A more effective system of enforcement, including:
 - Appropriate procedures.
 - Appropriate sanctions.
 - Appropriate resources.

ADDITIONAL SOURCES

Digital Markets Act proposal
Position Paper
[BEUC-X-2021-030](#)

Digital Markets Act proposal
Factsheet
[BEUC-x-2021-031](#)

For more information: competition@beuc.eu



DIGITAL RIGHTS

1

Digital Services Act

Why it matters to consumers

Shopping, connecting with friends and family, sharing experiences, watching a movie, planning a night out, moving around a city and searching for information on the web: these are just some of the activities that millions of consumers carry out every day. And for each of these activities there exist multiple online platforms to facilitate and deliver these services.

Consumers have embraced the surge of the platform economy, which presents numerous benefits but also brings major challenges in the areas of competition, consumer protection and safety. Over the years, BEUC member organisations have conducted extensive research and testing on unsafe and illegal products sold online. These products range from dangerous chargers to dysfunctional children's car seats, illegal cosmetics, unsafe toys and more. Although the Digital Services Act offers an opportunity to maximise the benefits of the online economy, it must address some of the increasingly serious problems that accompany these platforms.

State of play in legislative procedure



European
Commission

In December 2020, the **European Commission** proposed a Digital Services Act (DSA) to upgrade the EU's legal framework that regulates digital services.



European
Parliament

In its resolution adopted in October 2020, the **European Parliament** recommended – among other things – that the liability of online marketplaces be addressed and reinforced, and that stricter rules be imposed on behavioural advertising and content optimisation. The European Parliament is in the process of preparing its report and opinions on the proposal.



Council

In March 2021, the **European Council** called for a swift adoption of the DSA to strengthen “the Single Market for digital services by creating a safer digital space and a level playing field”. In addition, EU leaders underlined the importance of “strictly implementing and enforcing Single Market rules”.

The Council of Ministers is getting ready to discuss an amended textual proposal. The Slovenian Presidency will play a fundamental role in determining the Council's position in negotiations with the European Parliament.

Recommendations for the Presidency



BEUC urges the Slovenian Presidency to support an ambitious approach to the Digital Services Act so as to bring a change in the status quo by improving safety and consumer protection. We encourage the Presidency to find consensus in Council around enhancing the liability of marketplaces and the obligations of all relevant platforms as well as ensuring swifter and more efficient redress and enforcement if the rules of the DSA are not respected.

What we need to succeed

The EU needs a positive liability framework for online marketplaces, complemented by an obligation toolbox and strong and coordinated enforcement. In particular:

- Consumer protection and online safety must feature prominently as guiding objectives of the DSA. The Digital Services Act must establish a consistent legal framework that complements other relevant legislation. And as self-regulation has proven to be ineffective and insufficient, additional regulatory obligations for platforms are needed.
- The rules of the DSA should apply to and be enforced for all service providers, irrespective of whether they are established in the EU or in a third country.
- The DSA should set up a strong and enforceable toolbox of obligations for all platforms, as appropriate, comprising at least:
 - An obligation on marketplaces to verify traders and to conduct random checks on the services and products they offer, while allowing for consumer anonymity.
 - Principles for notice and action procedures.
 - Meaningful transparency and information requirements.
 - Stricter rules on digital advertising to complement existing legislation (e.g. on data protection and ePrivacy) and to address issues related to behaviourally-targeted advertising, particularly for children.
- The DSA should create a special liability regime for online marketplaces so that they:
 - Are liable for non-compliance of their due diligence obligations.
 - Are liable for damages upon obtaining credible evidence of illegal activities, without incurring a general duty to monitor the activity of platform users.
 - Are liable for damages, contract performance and guarantees.
- Consumers must be able to exercise the same rights and remedies against the supplier or producer:
 - For failure to inform about the supplier of the goods or services.
 - For providing misleading information, guarantees or statements.
 - In the case that the platform has a predominant influence over suppliers.
- The DSA must preserve the consumer contracts derogation to the country of origin principle.
- The DSA must establish a solid and effective oversight and enforcement mechanism. The unsatisfactory experience of tackling cross-border infringements of the EU's data protection law (GDPR) has demonstrated that giving competence for enforcement to authorities in the intermediary service providers' country of origin, as in the current DSA proposal, risks undermining effective public enforcement. Authorities in the countries where consumers are affected should also be competent under certain conditions. In addition, the Commission should be obliged to step in when the lead competent enforcement authority fails to act. In cases where platforms fail to comply with their obligations, the DSA also needs effective complaint procedures and civil law remedies for consumers.

ADDITIONAL SOURCES

The Digital Services Act proposal
BEUC position paper
[BEUC-X-2021-032](#)

Unsafe and illegal activities online
Research and evidence from
BEUC member organisations

Making the Digital Services Act work
for consumers:
BEUC's recommendations
[BEUC-X-2020-031](#)

The proposed Digital Services Act: better
protecting consumers online
BEUC Factsheet
[BEUC-X-2021-056](#)

2

Artificial intelligence

Why it matters to consumers

Artificial intelligence (AI) and Algorithmic Decision Making (ADM) are changing the way in which consumer markets and our societies function. AI holds out big promises to make our lives easier and our societies better. It is powering a whole range of new products and services, from digital assistants to autonomous cars as well as various 'smart' devices. All of this can bring benefits for consumers, but the widespread use of AI also raises many concerns. Consumers are at risk of being manipulated and subjected to discriminatory treatment and arbitrary, non-transparent decisions. Consumers must have strong and tangible rights that allow them to defend themselves when necessary and that empower them to reap the benefits of the digital transformation of our societies.

State of play in legislative procedure



In April 2021, the **European Commission** presented its long-awaited proposal for an Artificial Intelligence Regulation.

Recommendations for the Presidency



Artificial intelligence is set to change many aspects of consumers' lives and consumer markets. We urge the Slovenian Presidency to improve the current proposal to ensure that AI develops in a way that respects both fundamental and consumer rights and values and makes our lives better. The EU should be a global standard setter in this area, much like it has been with the General Data Protection Regulation.

What we need to succeed

- The list of prohibited AI practices included in the European Commission’s proposal should be broadened and clarified. Also, Article 5 should not focus solely on physical or psychological harm but should also take economic harm into account.
- The Commission’s proposal should be amended to ensure that the new AI framework is built on a risk-based approach but that it is not limited in scope to those AI and ADM applications considered as high risk. Legal obligations should gradually increase commensurate with the identified level of risk, starting from the principle that some basic obligations (e.g., regarding transparency) should be applicable to all AI/ADM applications. Thereon, the greater the potential of algorithmic systems to have adverse impacts the more stringent the legal requirements should be.
- A high level of consumer protection must be ensured via a combination of independent ex-ante verification mechanisms and continued ex-post compliance checks.
- The AI Regulation should be added to Annex I of the Representative Actions Directive to allow for better access to remedies in case consumers have been harmed due to non-compliance with the Regulation.
- Consumers must have a strong set of rights enshrined in law, including:
 - The right to transparency, explanation, and objection.
 - The right to accountability and control.
 - The right to fairness.
 - The right to non-discrimination.
 - The right to safety and security.
 - The right to access to justice.
 - The right to reliability and robustness.
- In addition to the new rules regulating AI/ADM, relevant existing legislation such as the General Product Safety Directive and the Product Liability Directive should be reviewed and updated to ensure that consumers are adequately protected against the risks posed by AI/ADM in all areas. The consumer law acquis should be examined and adapted so that it is fit for meeting its objectives, also with regard to the use of AI technology.

ADDITIONAL SOURCES

Automated Decision Making and Artificial Intelligence: A Consumer Perspective
Position paper
[BEUC-X-2018-058](#)

Product liability 2.0 – How to make EU rules fit for consumers in the digital age
Position paper
[BEUC-X-2020-024](#)

AI rights for consumers
Position paper
[BEUC-X-2019-063](#)

BEUC’s response to the Commission’s White Paper on AI
Position paper
[BEUC-X-2020-049](#)

AI must be smart about our health
Position paper
[BEUC-X-2019-078](#)

Artificial Intelligence: What consumers say → Findings and policy recommendations of a multi-country survey on AI
Report
[BEUC-X-2020-078](#)

3

Cybersecurity

Why it matters to consumers

The number of connected devices and digital services is skyrocketing, and interconnectivity between products and services is reaching all sectors of society including transport, health, banking and energy. While digitalisation provides many benefits for consumers and society, the risks and challenges it brings are equally if not more important. For example, there were several cybersecurity threats against critical infrastructure including hospitals during the peak of the COVID-19 pandemic. If they had materialised, hospitals would have become paralysed and the impact on society would have been devastating. Ensuring cybersecurity is one of the most fundamental challenges we face in the digital age.

State of play in legislative procedure



In December 2020, the **European Commission** presented a new European Cybersecurity Strategy. This Strategy includes a proposal to review the Network and Information Systems (NIS) Directive. It also refers to an upcoming new horizontal cybersecurity law for connected devices.

The European Commission is also planning to adopt a delegated act of the Radio Equipment Directive in 2021. As a consequence, manufacturers of some connected devices would be obliged to ensure that their devices meet certain cybersecurity requirements.

Recommendations for the Presidency



We urge the Slovenian Presidency to support an ambitious set of cybersecurity policies and legislative initiatives regarding cybersecurity.

For the NIS review, we call on the Slovenian Presidency to focus on ensuring the consistent application of the Directive across the entire EU as well as on a broader scope of application.

When it comes to the cybersecurity of the Internet of Things (IoT), the Slovenian Presidency should provide political support for a new horizontal cybersecurity law that establishes mandatory minimum security requirements for all connected products. It should also support the adoption of the Radio Equipment Directive's delegated act.

What we need to succeed

For a horizontal cybersecurity law

- The law should establish mandatory minimum security requirements that are horizontally applicable to all consumer products and their associated services, including inter alia:
 - Security by design and provision of security updates. When put on the market, IoT products should be protected against any known vulnerabilities. Security updates must be made available for the duration of the expected lifespan of the product and must be in line with consumers' expectations.
 - Strong authentication requirements. Unique and complex passwords should be the default setting of connected products, and consumers should be required to choose strong passwords in case they want to change the default one.
 - Encryption requirements. Companies must encrypt the data that is transmitted and stored by their products and services.
- The law should also have strong enforcement provisions that enable national authorities to remove insecure products from the market and allow consumers to benefit from effective remedies if something goes wrong (e.g., compensation).

For the Radio Equipment Directive

- The delegated act of the Radio Equipment Directive must be applicable to a broad range of consumer connected devices.
- The starting date of applicability of the delegated act should be within six months of its adoption.

For the review of the NIS Directive

- The scope of the new NIS Directive (NIS 2) should be expanded to cover all web-based services (e.g., apps and websites) available to consumers.
- In the case that an incident has a significant impact on the provision of a service (Art. 20 (1)) or if there is a significant cybersecurity threat to a service (Art. 20 (2)), the default rule should be that affected users or potentially affected users of those services should be notified immediately about the unavailability or possible unavailability of the service.
- In both situations (incident and threat), users should be provided with information that would enable them to mitigate the adverse effects of the cyberattacks.
- Affected users should have the right to remedies (e.g. financial compensation in case of damage) whenever there is evidence of non-compliance with essential or important entities with the rules of NIS 2.

ADDITIONAL SOURCES

Review of the Network and Information Systems directive (NIS 2)
Position paper
[BEUC-X-2021-042](#)

Keeping Consumers Secure – How to tackle cybersecurity threats through EU Law
Position paper
[BEUC-X-2019-066](#)

4

ePrivacy

Why it matters to consumers

Although beneficial to consumers, digital information technologies and the emergence of new services also represent a major challenge to the fundamental rights of privacy and personal data protection. It is important to ensure that consumers can benefit from innovative online services without having to give up their privacy rights.

State of play in legislative procedure



In January 2017, the **European Commission** put forward a proposal for a regulation on ePrivacy. In October 2017, the **European Parliament** adopted a very strong and consumer-friendly position as its mandate for trilogue negotiations.



In February 2021, The Portuguese Presidency adopted a mandate for trilogue negotiations, which are set to start in May 2021.

Recommendations for the Presidency



We urge the Slovenian Presidency to swiftly conclude the trilogue negotiations on the proposal for the ePrivacy Regulation. The review must not lead to a lower level of protection when compared to the existing ePrivacy Directive and the General Data Protection Regulation (GDPR). It must guarantee the protection of confidentiality in all electronic communication services and must protect consumers against unwanted online tracking and unsolicited commercial communications. Hardware and software used by consumers must by default provide the highest level of privacy protection. The ePrivacy reform is essential for strengthening individuals' right to privacy and the confidentiality of communications, as well as for rebuilding and reinforcing public trust and security in the digital economy.

What we need to succeed

- As a principle, electronic communications must be confidential. Over-the-top services (OTTs) must be duly covered by the Regulation. In line with the European Parliament's position, it should not be possible to process electronic communications data under broad legal grounds such as for 'legitimate interests' or 'compatible purposes'. Whereas the processing of metadata without prior user consent for statistical counting could be envisaged, this must be subject to strong safeguards and strictly limited to purposes of public interest.
- Default settings in devices and software should be configured to provide the highest level of privacy protection, in line with the European Parliament's position. An obligation to simply provide information about the privacy settings would not be sufficient from a consumer privacy protection perspective and would undermine the 'data protection by design and by default' principle enshrined in Article 25 of the GDPR.
- The behaviour and activities of users should not be monitored without their consent, and they should have access to digital services without being forced to accept unnecessary invasions of their privacy, as stated in the Parliament's position. In particular, making access to a service conditional on the acceptance of cookies that process personal data and are not necessary for the provision of that service should not be allowed. This would go against Article 7.4 of the GDPR.
- Users should be able to mandate NGOs to represent their interests, and NGOs must be able to take initiative whenever users' rights have been breached, in line with the European Parliament's position.
- Finally, specific provisions to protect the privacy of children should be introduced.

ADDITIONAL SOURCES

Summary of BEUC response to ePrivacy public consultation
[BEUC-X-2016-073](#)

Infographic: Consumers caught in a tracking web
[BEUC-X-2017-102](#)

Proposal for a regulation on privacy and electronic communications (ePrivacy)
 Position paper
[BEUC-X-2017-059](#)

Open letter to EU member states from consumer groups, NGOs and industry representatives in support of the ePrivacy Regulation
[BEUC-X-2019-056](#)

Factsheet on ePrivacy
[BEUC-X-2017-090](#)

ePrivacy
 Letter to Permanent Representations
[BEUC-X-2020-109](#)

5

Review of Roaming Rules

Why it matters to consumers

Roaming fees are now history, thanks to EU rules, and the benefits for consumers are clear. When travelling across Europe, consumers need to use their mobile devices to work, to stay in touch and to access online content. It is essential that consumers can continue using their devices and services wherever they are in the EU/EEA as if they were at home, without having to worry about incurring disproportionate roaming costs when they cross borders. However, this is only possible if the current rules are maintained and targeted amendments are made to solve the identified shortcomings.

State of play in legislative procedure



In February 2021, the **European Commission** adopted a proposal to extend and review the Roaming Regulation.

Both the **European Parliament** and the Council of Ministers are in the process of reaching their respective positions so as to conclude negotiations before the expiry of the current Regulation on 30 June 2022.

Recommendations for the Presidency



Roaming rules are one of the EU's most widely recognised successes, having benefited both consumers and telecoms operators alike. BEUC warns against any review of the roaming rules that would imply a step back from current achievements and protections for consumers, both at retail and wholesale level. We encourage the Slovenian Presidency to continue moving forward towards a real digital and telecoms single market. In this sense, we recommend improvements in terms of transparency, cut-off limits, quality of service and the functioning of the wholesale market, as well as the actual implementation of the Roam Like at Home rule.

What we need to succeed

The continuation of roaming rules and the introduction of targeted improvements are essential for moving forward. Specifically, this would include:

- The introduction of clear retail and wholesale obligations to ensure that the quality of service when roaming is equivalent to the quality of service at home.
- A decrease in the price of wholesale caps, notably for roaming data services, and the improvement of the functioning of the wholesale market.
- The establishment of a real 'Roam Like at Home' (RLAH) market. Home operators must not alter the conditions of their services during roaming. The use of fair use policies to limit RLAH should only be a temporary measure while transitioning into a fully RLAH-based market.
- The strengthening of transparency and consumer protection measures, also regarding the prices that apply when roaming on planes and boats, cut-off limits, greater protection for the use of value-added services and the prevention of inadvertent roaming on non-EU/EEA networks.

ADDITIONAL SOURCES



The Review and Prolongation of the EU roaming regulation – BEUC response to the public consultation
Position paper

BEUC-X-2020-084

6

Data Governance Act

Why it matters to consumers

Consumers generate more and more data every day. The sharing and reuse of such data can benefit consumers and society as a whole. For example, data can power the development of new and innovative services and can help improve urban mobility to reduce emissions and combat climate change. However, consumers often cannot control how the data that they generate is used. The EU's approach to data governance – as proposed in its Data Governance Act – must ensure the protection of fundamental rights as well as foster the competition, consumer choice and innovation that benefits consumers. This is key to achieving a fair, healthy and sustainable digital economy.

State of play in legislative procedure



In November 2020, the **European Commission** published a proposal for a regulation on European data governance (the Data Governance Act, or DGA). The DGA is aimed at facilitating data sharing across the EU and between sectors and offers an alternative European model for the data handling practices of major tech platforms.

Recommendations for the Presidency



BEUC encourages the Slovenian Presidency to aim at the creation of a human-centric approach for the digital single market and the data economy. We call on the Presidency to ensure that the DGA is fully in line with the EU's data protection principles and that it ensures a transparent, safe and trustworthy rules-based data sharing ecosystem.

What we need to succeed

To guarantee that the adopted Data Governance Act serves consumer interests, the following recommendations must be considered:

- It is crucial to clarify the interplay between the DGA and the GDPR to avoid potentially conflicting data processing regimes.
- Clear criteria of what would constitute ‘purposes of general interest’ should be introduced, given the importance of this concept and the different interpretations that might exist at national level.
- ‘Data intermediaries’ should be clearly defined and should be subject to stricter rules.
- It is best to avoid introducing new concepts such as ‘data altruism’, which are likely to overlap with the concepts included in the GDPR.
- It is important to ensure that Data Protection Authorities are responsible for the interpretation and enforcement of the DGA provisions regarding the processing of personal data.

ADDITIONAL SOURCES



Data Governance Act
Position Paper
BEUC-X-2021-026



For more information: digital@beuc.eu



ENFORCEMENT AND REDRESS

1

Efficient enforcement

Why it matters to consumers

Although it has brought various benefits to consumers, the rise of e-commerce in the past decade has also resulted in widespread infringements when unfair practices or illegal actions by traders cause harm to EU consumers. Enforcement of consumer law is still mostly contained within national borders and depends on the resources and powers of national authorities and courts. This results in significant differences for consumers.¹

It is even more problematic when the traders from third countries cause harm – either by selling unsafe and dangerous products or by simply not abiding with EU consumer law. Due to gaps in legislation and enforcement, these traders often get away with their illicit practices, leaving EU consumers harmed and empty handed.

State of play in legislative procedure

The EU Regulation on Consumer Protection Cooperation (CPC) tries to fill in the gap by establishing close cooperation among the national authorities in tackling widespread and cross-border infringements in the EU. However, national enforcement systems being very different, it proves difficult to envisage enforcement measures that would cover the whole EU.

Recommendations for the Presidency

BEUC calls on the Slovenian Presidency to encourage and support closer cooperation among consumer associations and public authorities as a means to more efficient enforcement. Likewise, closer cooperation among various sector authorities could also be fostered, for example by having these discussions in a consumer conference or another type of joint event.



What we need to succeed

- Public authorities should actively investigate both national and cross-border infringements, reinforcing each other's activities and cooperating closely with consumer associations.
- Public authorities should also develop an interdisciplinary approach towards consumer protection in the data economy, bringing together consumer, data protection, competition and sectoral fields of law.
- Finally, solutions must be found to ensure that traders from non-EU countries do not get away with breaking EU consumer law.

¹ For instance, even though the Volkswagen cars fitted with illegal devices to cheat emission tests were sold in all the EU, only two European consumer authorities have sanctioned the company and only German consumers have been compensated more than five years after the infringement was exposed.

2

Collective redress and support for qualified entities

Why it matters to consumers

Following the adoption of the new Directive on Representative Actions in 2020, the crucial work of transposing it in a way that is most beneficial for consumers now rests on the shoulders of the Member States. It is important that consumer associations and other entities representing harmed consumers can bring representative actions in practice and that they are not faced with too many barriers. It is well known from existing examples in the EU that collective redress actions are very expensive, and the lack of financing can constitute an insurmountable barrier to the initiation of representative cases.

State of play in legislative procedure

The Directive must be transposed into the national laws of the EU Member States before 25 December 2022. Transposition work has already started in most countries, but consumer associations are not always consulted in the process.

Recommendations for the Presidency



We ask the Slovenian Presidency to support the timely and consumer-friendly transposition of the Representative Actions Directive. The recommendations of the 2021 Consumer Summit include a role for the European Commission to organise a workshop on the transposition of the Directive in 2021. Both Member State representatives and consumer associations should be invited to this workshop and invited to share ideas about the transposition and their best practices to achieve the efficient application of the Directive.

What we need to succeed

- The criteria for who can become a 'qualified entity' to bring domestic representative actions should not be set in a way to prevent consumer associations from taking up this role.
- Consumer associations should be supported by governments to become strong private enforcers, with regard to both injunctions and collective redress actions. This will deliver better access to justice and more equality for all European consumers, as well as ensuring that recovering consumer markets are also fair and transparent for competitors.

- AT Arbeiterkammer
- AT Verein für Konsumenteninformation (VKI)
- BE Test Achats/Test Aankoop
- BG Асоциация Активни потребители
- CH Fédération Romande des Consommateurs
- CY Kypriakos Syndesmos Katanaloton
- CZ dTest
- DE Verbraucherzentrale Bundesverband (vzbv)
- DE Stiftung Warentest
- DK Forbrugerrådet Tænk
- EE Eesti tarbijakaitse Liit
- EL ΕΚΠΙΖΟ
- EL ΚΕΡΚΑ
- ES Asufin
- ES Confederación de consumidores y usuarios (CECU)
- ES Organización de consumidores y usuarios (OCU)
- FI Kuluttajaliitto – Konsumentförbundet ry
- FR Consommation, logement et cadre de vie (CLCV)
- FR UFC-Que Choisir
- HR Unija potrosaca Hrvatske
- HU Fogasztóvédelmi Egyesületek Országos Szövetsége (FEOSZ)
- HU Tudatos Vásárlók Egyesülete
- IE Consumers' Association of Ireland (CAI)
- IS Neytendasamtökin (NS)
- IT Adiconsum
- IT Altroconsumo
- IT Consumatori Italiani per l'Europa
- LT Lietuvos vartotojų organizacijų aljansas (LVOA)
- LV Latvijas Patērētāju interešu aizstāvības asociācija (LPIAA)
- LU Union Luxembourgeoise des Consommateurs (ULC)
- MK Organizacija na potrosuvacite na Makedonija (OPM)
- MT Għaqda tal-Konsumaturi
- NL Consumentenbond
- NO Forbrukerrådet
- PL Federacja Konsumentów
- PL Fundacja Konsumentów
- PT DECO
- RO Asociația Pro Consumatori
- SK Združenie slovenských spotrebiteľov (ZSS)
- SK Spoločnosti ochrany spotrebiteľov (S.O.S.)
- SE Sveriges Konsumenter
- SI Zveza Potrošnikov Slovenije (ZPS)
- UK Citizens Advice
- UK Legal Services Consumer Panel
- UK The Consumer Council of Northern Ireland
- UK Which?



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