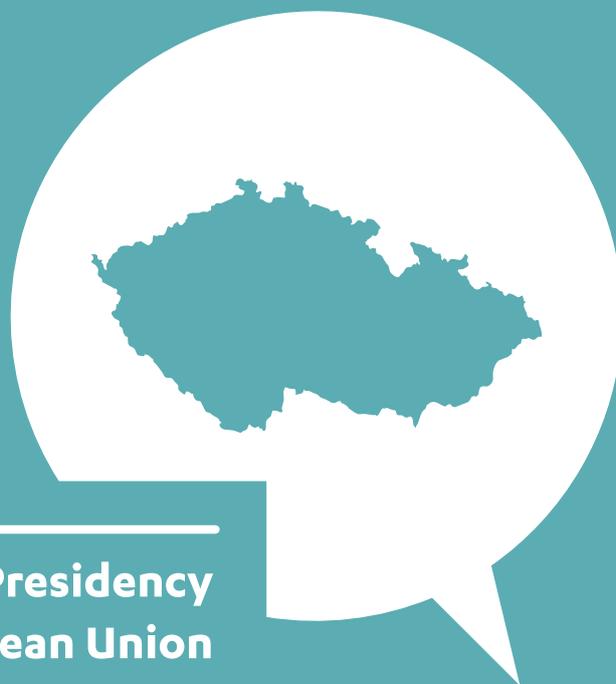




Czech Presidency of the European Union

BEUC priorities
2022





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of the European Union**

BEUC priorities
2022

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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 Czech member organisation is dTest.

The EU's efforts to embrace the green transition were translated into many proposals last year, presented by the European Commission as part of the 'Fit for 55' package. Besides the ongoing work on the Green Deal, **the Czech Presidency will have an important role dealing with the impact of the Ukraine war on energy and food prices. We offer our strong support** on this front to shield consumers from harsh consequences.

As for the digital transformation underway, **the Presidency has several files on its agenda that will fundamentally shape the digital future for Europeans.** This transformation must be implemented in a way that improves everyone's lives.

Numerous other legislative and non-legislative files of relevance to consumers will also be on the Presidency's agenda. In this Memorandum we outline concrete proposals for how the Council of Ministers, together with the European Parliament, should legislate to achieve a high level of consumer protection and empowerment.

We would like to draw your particular attention to the following initiatives:

- **The General Product Safety Regulation:** the proposed revision must ensure that products can be more effectively traced throughout the supply chain and that market surveillance authorities have the necessary tools to successfully withdraw dangerous products from the market. Furthermore, consumer safety must be strengthened regarding new technologies and global e-commerce.
- **The Consumer Credit Directive:** the revision of the Consumer Credit Directive should ensure that consumers of financial services are treated fairly and adequately protected against irresponsible lending practices. Rules are needed to protect consumers against the excessive costs associated with consumer loans and to make green loans more widely available.
- **'Fit for 55' legislative package:** 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.
- **The Sustainable Product Initiative:** the revision of the Ecodesign Directive and accompanying legislative proposals need to make sustainable and durable products the norm by setting stronger requirements at the design stage of products.
- **The 'Empowering consumers for the green transition' initiative:** the amendments to the Unfair Commercial Practices Directive and the Consumer Rights Directive aim to strengthen consumer protection against greenwashing and premature obsolescence and introduce better information for consumers on durability, reparability and software updates. This proposal is a step in the right direction but still requires some improvements.
- **The Artificial Intelligence Act:** consumers should benefit from artificial intelligence rather than be exposed to new risks. The proposed Regulation should be improved to protect consumers from economic harm and discrimination caused by commercial uses of AI. Consumers must have a strong set of rights and access to effective remedies and redress mechanisms in case of harm, including collective redress.
- **The ePrivacy Regulation:** 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 Distance Marketing of Financial Services Directive (DMFSD):** the updating of the rules applicable to the distance marketing of financial services is fundamental to take into account new practices used to target consumers with financial products such Buy-Now-Pay-Later credits. This is particularly important to protect consumers regarding new forms of online marketing e.g. via social media and in the purchasing of financial products without human interaction.

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 Czech Republic a most successful Presidency.

Monique Goyens
Director General

Arnold Koopmans
President



SAFETY

1

The General Product Safety Regulation

Why it matters to consumers

Consumers expect all products to be safe, regardless of whether they are clothes, electrical appliances or childcare products, and irrespective of whether purchased online or in traditional shops. However, safety checks show that many goods available on the European Single Market today are dangerous. A reason for this is that the EU's main product safety legislation, the General Product Safety Directive (GPSD), has not been updated to take account of the emergence of new sales channels (online marketplaces, increased international e-commerce) and technologies (connected devices).

State of play

In June 2021, the **European Commission** proposed a General Product Safety Regulation which is currently being negotiated in Council and Parliament. The most controversial points concern the obligations of economic operators, including online marketplaces. During negotiations we expect the safety criteria and safety net function, the impact of new technologies and recall procedures to also be debated, as well as penalties for non-compliant economic operators and remedies for consumers.

Recommendations for the Presidency

As the GPSD reform is long overdue, there is an urgent need for the Czech Presidency to make good progress on the file and to enter into trilogue negotiations. The focus should be on the safety and security of connected products, as well as the safety of products shipped directly to consumers from outside the EU via online sales channels.

It is of the utmost importance that the revised legislation continues to be based on its two original pillars: 1) a safety net function to cover shortcomings in sector-specific legislation; and 2) the precautionary principle. The safety criteria must apply to all actors in the supply chain and be taken into account.

What consumers need

- Establishment of a uniform framework for the market surveillance of all consumer products, with flawless traceability along the supply chain and effective enforcement
- Future-proof product safety rules that can cope with new technologies, such as AI
- Accountability in the supply chain and the closing of loopholes regarding international e-commerce
- Product-specific mandatory safety requirements to provide for legal certainty
- Elimination of other GPSD shortcomings, such as allowing to opt for more demanding conformity assessment methods, defining criteria for products that appeal to children, improving the effectiveness of product recalls and setting up an effective system for the collection of EU-wide accident and injury data.

ADDITIONAL SOURCES

Products on online marketplaces continue to fail safety tests
Report
[BEUC-X-2022-029](#)

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

Keeping consumers safe from dangerous products - How to make the General Product Safety Regulation a useful tool to ensure product safety
Position paper
[BEUC-X-2021-107](#)

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

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

Unsafe and illegal activities online
[Research and evidence from BEUC member organisations](#)

2

EU Chemicals Strategy for Sustainability

Why it matters to consumers

Consumers worry about their own – and their children's – exposure to harmful chemicals. Product tests by BEUC members frequently detect chemicals of concern in products that consumers come into close, regular and prolonged contact with, including clothes, shoes, toys, childcare products and food packaging. The EU Chemicals Strategy for Sustainability, presented by the Commission in October 2020, acknowledges these concerns and commits the EU to address them through an ambitious action plan.

State of play

The Commission's roll out of detailed measures under the Chemicals Strategy lies ahead. This includes the planned revision of the Regulation on Classification, Labelling and Packaging (CLP) of chemicals, which among other things will introduce a harmonised EU definition of endocrine disruptors. Preparatory work for the CLP revision is ongoing, with the Commission expected to present a legislative proposal during the Czech Presidency.

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 Czech Presidency to promote a high level of ambition within the Council concerning the design and implementation of the initiatives outlined in the Chemicals Strategy. We further encourage the Czech Presidency to launch Council discussions on the planned revision of the CLP Regulation, with a view to swiftly reaching a general approach on a future EU definition of endocrine disruptors.

What consumers need

- 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 must 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.
- The EU must tackle both known and suspected endocrine disruptors by introducing new hazard classes in the CLP Regulation. Doing so will greatly expedite coherent identification and risk management of these harmful chemicals, including in downstream legislation on cosmetics, toys and food packaging.
- The CLP revision must include improved communication to consumers of hazard and safe use information by clarifying and further developing the labelling requirements for everyday cleaning and household products. Digital labelling must not replace on-product labels but could play a complementary role.

ADDITIONAL SOURCES

Joint BEUC-ETUC-EEB recommendations for chemicals policy and the European Green Deal
Position paper
[BEUC-X-2019-089](#)

Why moving essential product information online is a no-go
Position paper
[BEUC-X-2021-016](#)

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

Proposals on CO2 reduction targets for cars and Alternative Fuels Infrastructure

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 but are often not given the opportunity to do so 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 to people. Making train connections and bookings easier is also essential.

State of play

As part of its 'Fit for 55' package published in July 2021, the **Commission** proposed the revision of the CO2 standards for passenger cars and a new Regulation on Alternative Fuels Infrastructure (AFIR). Both files are making progress in the legislative procedure: the **European Parliament** adopted its position on CO2 standards at the beginning of June and is expected to reach an agreement on AFIR in September. The Council has already adopted its general approach on AFIR and is likely to do so for CO2 standards at the Environment Council on June 28th.

Recommendations for the Presidency

BEUC calls on the Czech Presidency to finalise the discussions on CO2 standards for cars and AFIR with a view to reaching an agreement between the Council and the Parliament as soon as possible.

What consumers need

- New CO2 standards for cars should set a phase out date for sales of new combustion engine cars by 2035 at the latest.
- Loopholes in the current CO2 standards regulation, such as the mass parameter, the benchmarks for zero and low-emission vehicles and the use of eco-innovations, should be removed as they contribute to weakening the uptake of zero-emission cars.

- The new car CO₂ standards should not include any crediting system for ‘alternative fuels’ such as e-fuels, which are inefficient and more expensive for consumers.
- The new AFIR should accelerate the roll-out of charging infrastructure for electric cars and make it easy to use for consumers. Transparency of tariffs and obliging recharging stations to accept payment by debit or credit cards are essential to give consumers confidence and fix numerous issues when charging an electric car.

ADDITIONAL SOURCES

Electric cars: cheaper, more sustainable, and long-lasting
Report

BEUC-X-2022-053

The consumer checklist for fair and efficient carbon pricing
Factsheet

BEUC-X-2020-100

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

Towards affordable electric cars for consumers: key points for the new CO₂ standards for cars
Factsheet

BEUC-X-2021-080

Electric car ownership: an affordable option for all consumers
Study

BEUC-X-2021-040

Making electric car charging convenient for consumers - BEUC key asks for the Alternative Fuels Infrastructure Regulation
Factsheet

BEUC-X-2021-081

A consumer checklist for a sustainable transport system
Consumer checklist

BEUC-X-2020-111

For more information: sustainability@beuc.eu

2

The Sustainable Product Initiative and revision of the Ecodesign Directive

Why it matters to consumers

Consumers want to buy more sustainable, durable, and repairable products since this is better both for the environment and their pockets. Unfortunately, this is difficult today as the sustainable option is generally the exception. To reverse this situation, the EU needs to put in place regulatory measures to set strong sustainability and durability criteria for manufacturers to apply from the design stage of products.

State of play

On 30 March 2022, the **European Commission** presented the Sustainable Product Initiative (SPI) which includes a proposal to review the Ecodesign Directive (i.e. the proposal on Ecodesign for Sustainable Products Regulation – ESPR).

Recommendations for the Presidency

BEUC calls on the Czech Presidency to quickly launch Council discussions on the SPI and the revision of the Ecodesign framework as soon as they are presented, with a view to reaching a general approach as soon as possible.

What consumers need

- The scope of the new Ecodesign framework should be extended to cover more products beyond energy-using and energy-related ones, and more sustainability criteria, such as durability, material efficiency, reparability, upgradability etc.
- The development of meaningful Ecodesign regulations should be accelerated and product groups, such as textiles or furniture, should be prioritised based on their environmental impact and on potential benefits for consumers. Existing Ecodesign rules should be swiftly revised to ensure alignment with technological advances. Moreover, voluntary agreements should not be allowed anymore, as they often take longer than expected to be adopted and their level of ambition is too low.
- To accelerate the development of new measures, the Commission should prioritise the development of horizontal measures applying to several product categories at once.
- When the European Commission addresses a product group, it should look at the possibility of developing criteria for both Ecodesign and the EU Ecolabel at the same time. The EU Ecolabel should continue to be a step ahead and ensure its criteria reflect environmental excellence, while Ecodesign instruments should determine the minimum level of sustainability of products.
- The new Ecodesign Regulation should include strong enforcement and market surveillance tools and make online marketplaces liable for non-compliant products sold on their platforms, including for products from third-party sellers.

- The Ecodesign implementing measures should systematically introduce durability requirements that serve as the basis for establishing legal guarantee periods for more durable goods.

ADDITIONAL SOURCES

Making more sustainable products the new normal: consumer recommendations for a meaningful EU sustainable product initiative
Position paper
BEUC-X-2021-075

Prompt: testing products to promote longer lifetime
Factsheet
BEUC-X-2020-063

Durable and repairable products: changes needed for a successful path towards the green transition
Position paper
BEUC-X-2021-061

3

Substantiating green claims

Why it matters to consumers

Consumers increasingly want to lead more environmentally friendly lives and buy products that use fewer natural resources. This is however no easy task. Businesses use many unsubstantiated and misleading green claims, which confuse consumers and make it difficult to identify products that are genuinely less harmful for the environment. It is essential that consumers can trust information about the sustainability of products and thus EU legislation should require businesses to ensure green claims are reliable and substantiated before their products are allowed on the market. Put simply, the green choice should become the easy choice based on reliable information.

State of play

In March 2020, the **Commission** published its second Circular Economy Action Plan which announced two legislative initiatives to tackle the issue of greenwashing. While the “Empowering consumers for the green transition” initiative was already published in March 2022, a complementary proposal for “Substantiating green claims” is only expected at the end of 2022.

Recommendations for the Presidency

We encourage the Presidency to promptly start Council negotiations once the Commission presents its proposal on substantiating green claims and to give it the high priority it deserves.

What consumers need

- To tackle the proliferation of misleading green claims on the market, the EU must introduce a pre-approval scheme for all green claims and labels, inspired by the scheme already in place for the health and nutritional claims of food (Regulation 1924/2006).
- The EU should explicitly prohibit some types of green claims (e.g. 'carbon neutral', 'CO2 neutral').
- The EU should create a public registry in which all pre-approved green claims would be published. The registry should have an *erga omnes* effect which would allow other businesses to use previously approved claims as long as they fulfilled the pre-set criteria and submitted the relevant evidence to an EU-wide product information database, prior to using that claim.
- To ensure compliance, market surveillance in this area must be strengthened with clear and binding obligations on authorities to conduct random checks of the evidence submitted to the product information database to substantiate green claims.
- While the product environmental footprint (PEF) might be used as a basis for a common substantiation method, it cannot serve as a standalone instrument and should be complemented where relevant. For the moment, it has been developed only for a limited number of product groups.
- PEF has severe shortcomings regarding specific environmental impact categories as it lacks robust indicators for several key environmental issues, including land degradation, biodiversity, pesticides effects, imported deforestation or use of hazardous chemicals.
- PEF methods should be further developed and improved, with the participation of all relevant stakeholders in a democratic and transparent manner. The European Commission must properly assess the method's limitations to cover all sustainability dimensions relevant for the sector and discuss them with stakeholders.

ADDITIONAL SOURCES

Getting rid of greenwashing - Restoring consumer confidence in green claims.
Position paper
BEUC-X-2020-116

Getting rid of greenwashing - Restoring consumer confidence in green claims.
Factsheet
BEUC-X-2020-115

For more information: sustainability@beuc.eu



ENERGY

1

Revision of the Renewable Energy Directive

Why it matters to consumers

Following Russia's invasion of Ukraine, the case for a rapid clean energy transition has never been stronger. Consumers have been locked into an energy system that makes it easier and more affordable for them to use fossil fuels to move around and to heat their homes. To tackle the climate and energy crisis and improve consumers' quality of life, a change in the way we heat our homes and move around is needed.

State of play

As part of the Fit for 55 legislative package, the **European Commission** proposed a revision of Renewable Energy Directive in July 2021. Work on the proposal is ongoing in both **Council** and **Parliament**, with the French Presidency expected to adopt a General Approach and the Parliament to approve its report during the September plenary session. Trilogue negotiations are expected to start during the Czech Presidency.

Recommendations for the Presidency

BEUC calls on the Czech Presidency to push not only for measures incentivising consumers to install solar panels or heat pumps but also to strengthen the proposal so that there are enough accredited professionals qualified to install renewable energy appliances. Fossil fuel technologies, such as gas in cogeneration, should not be supported.

What consumers need

- Consumers should benefit from measures empowering them to shift to renewable energy in heating. This should be done through local heat planning, clarifying what heating systems are future proof for the climate and consumers and can hence confidently be purchased.
- Renewable based district heating and heat pumps are the cheapest and the most sustainable renewable based heating solutions and hence the proposed revision of the Renewable Energy Directive must prioritise them over other renewable heating technologies. Measures ensuring that there are enough certified installers to roll out these renewable heating technologies are also urgently needed.
- Low income and vulnerable consumers should receive support to switch to renewable heating. Additional support will also be needed for middle-income households so that they can afford to replace existing heating appliances.

ADDITIONAL SOURCES

Renewable energy directive: key points for consumers
Position paper
BEUC-X-2021-079

2

Revision of the Energy Efficiency Directive

Why it matters to consumers

Consumers are willing to improve the comfort of their homes and to save energy, which is good for their wallets, for their health and for the planet. However, for consumers to undertake energy efficiency measures, further guidance and support are needed. Active consumer engagement will only work if all consumers can benefit from consumer rights and protection in heating and cooling. Vulnerable consumers and those in energy poverty need specific protection and support.

State of play

In July 2021, the **European Commission** proposed a revision of the Energy Efficiency Directive (EED) as part of the Fit for 55 legislative package. Work on the proposal is ongoing in both **Council** and **Parliament** and trilogue negotiations are expected to start during the Czech Presidency.

Recommendations for the Presidency

BEUC urges the Czech Presidency to support an ambitious binding annual target for reducing energy use as well as a set of measures leading to further energy efficiency improvements and better consumer rights and protection on district heating markets. We encourage the Presidency to aim for an ambitious result and to give an extra boost to guarantee that energy efficiency schemes are steered to those households who need it the most.

What consumers need

- The cheapest energy is that which we do not consume. A binding target will encourage Member States to adopt measures to help consumers to reduce their energy consumption.
- Local authorities should engage consumers in their local heating and cooling plans so that consumers are aware and can make their investment decisions accordingly.
- Consumer rights in district heating must be improved because consumers should be well protected irrespective of the fuel they use. It is therefore key to mirror the rights and protections that currently exist in the Electricity Directive into the Energy Efficiency Directive for heating and cooling.

- Measures to tackle energy poverty are urgently needed. It is crucial that the revised Energy Efficiency Directive includes mandatory objectives for Energy Saving and Energy Efficiency Obligation Schemes to promote energy efficiency measures among energy poor households. The Directive should also target energy savings in multi-unit buildings and in rural areas, which require special attention.
- Easy access to independent advice via one-stop-shops, which should also offer operational support to people in their retrofit projects, is key. One-stop-shops should facilitate contacts between consumers, accredited installers, and banks throughout retrofit projects.
- Innovative financial instruments and tools to minimise risks are urgently needed. To maximise the impact of such instruments, several regulatory barriers need to be addressed and consumer protection strengthened.



3

Revision of the Gas Directive and the Gas Regulation

Why it matters to consumers

Russia's invasion of Ukraine showed us that Europe must urgently cut its dependence on Russian fossil fuel imports. The ongoing energy crisis with skyrocketing energy prices impacts all consumers as they need to heat and cool their homes and move around. The best way to shield consumers from rising energy prices is therefore to accelerate the shift to a renewable-based energy system, coupled with much stronger energy efficiency measures. It is also clear that hydrogen will remain an expensive source of energy and will not be a suitable option for consumers' heating and cooling needs, and should not be promoted in residential heating.

While the role of gas should decrease, consumer rights and protections in the gas sector still lag behind those in electricity, while they should enjoy adequate rights and protections. It is important to fix this as millions of consumers will continue using gas in the coming decades and they should enjoy sufficient protection.

State of play

In December 2021, the **European Commission** proposed to revise the Gas Directive and Gas Regulation. Work on the proposal is ongoing in both **Council** and **Parliament** and the Czech Presidency aims to advance work on the Council's position.

Recommendations for the Presidency

BEUC calls on the Czech Presidency to advance work on updating consumer rights and protection in the gas market. At the same time, we urge the Presidency to carefully consider the development of hydrogen networks as hydrogen is not a viable option for heating residential sector and should be used only in sectors that are hard to electrify.

What consumers need

- Consumers should be well protected irrespective of the fuel they use. It is therefore key to mirror the rights and protection that currently exist in the Electricity Directive into the Gas Directive and where relevant also improve them. Consumers should for example benefit from better precontractual information on gas supply offers and should have access to independent comparison tools covering the entire market.
- Consumer protection for vulnerable consumers and those in energy poverty should be further strengthened.
- Consumer protection should be updated with regards to digital development in the gas sector, for instance when using new tools such as automated switching tools.
- To protect consumers from being trapped in a very expensive energy future, the Gas Directive should not promote hydrogen blending in gas grids to decarbonise heating. Hydrogen will clearly remain an expensive source of energy and will not be a suitable option for consumers' heating and cooling needs and should not be promoted in residential heating.
- System operators should have a legal requirement to ensure investments in gas and electricity networks are cost-efficient so that consumers enjoy affordable energy bills. This is only the case when they are based on a robust and independent assessment of future electricity and gas demand.

ADDITIONAL SOURCES

Towards consumer-friendly gas markets:
BEUC's preliminary views on the
upcoming gas market package
Position paper
[BEUC-X-2021-069](#)

How to design energy comparison tools that
are fit for consumers
Position paper
[BEUC-X-2021-014](#)

How to make consumer rights and
protections in gas future-proof
Position paper
[BEUC-X-2021-068](#)

4

Revision of the Energy Performance of Buildings Directive

Why it matters to consumers

Poorly insulated homes are bad for the environment, whereas more and more consumers want to combine what is good for their wallet and for the planet. Heating, and increasingly cooling, are a huge part of consumers' household budget and millions of consumers struggle to keep their homes warm or cool. This is why the retrofitting of our building stock is a no-brainer. It will benefit the planet – by cutting emissions – and consumers' wallets – and reduce household expenditure on energy bills. The revision of the Energy Performance of Buildings Directive is an opportunity to solve this and help consumers renovate their homes and start making savings on their energy bills.

State of play

In December 2021, the **European Commission** proposed a revision of Energy Performance of Buildings Directive. Work on the proposal is ongoing in both **Council** and **Parliament** and the Czech Presidency will aim for agreement on the Council's General Approach.

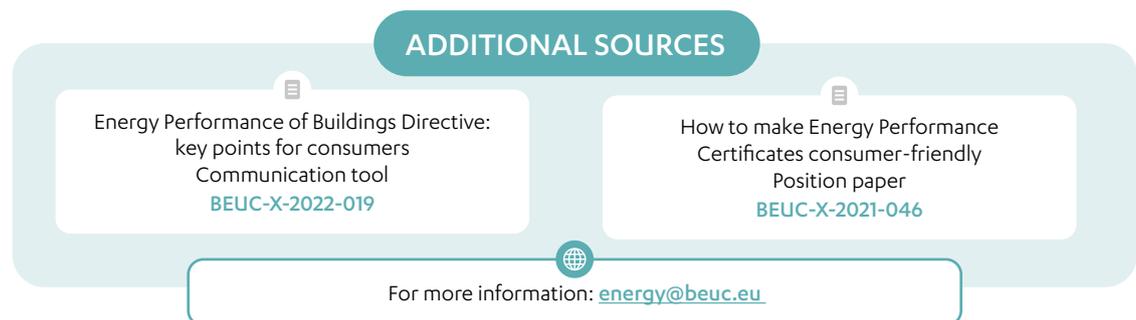
Recommendations for the Presidency

BEUC calls on the Czech Presidency to support Europe's effort to decarbonise its buildings by 2050. We encourage the Presidency to facilitate and advance discussions in the Council in order to speed up renovation and ensure consumers can enjoy comfortable and healthy homes.

What consumers need

- Energy Performance Certificates (EPCs) should be improved so that they provide consumers with useful information such as an estimate of when their heating system will reach the end of its lifespan.
- Building Renovation Passports should be user-friendly and provided both in printed and digital form. Consistency with Energy Performance Certificates is needed to avoid redundancy and unnecessary additional costs. They should provide an estimated range of costs for recommended retrofit works.
- The introduction of Minimum Energy Performance Standards should increase renovation rates. However, further improvements are needed so that consumers, including those on low incomes, can have access to the right tools.
- Financial schemes should be tailored to low-income consumers and those in energy poverty, who face particular difficulties to finance their home renovations. Mainstream financial offers should be made inclusive via complementary financial instruments such as guarantee funds and revolving funds coupled to grants.
- Accelerated housing renovation via one-stop-shops which will not only support consumers at every stage of their renovation projects but also help accredited installers, i.e. by referencing training, providing support to fill in administrative forms, assuming part of the marketing aspects, etc.

- The removal of barriers to installing recharging points in residential buildings is a first step towards an EU-wide “right to plug” for consumers. However, further improvements are needed especially for existing non-residential buildings.
- Dynamic Energy Building Benchmarks, which collect data on yearly energy consumptions and EPC rating of multi-unit buildings, should be created to convey data and information on the multi-unit buildings stock. They would inform policies, programmes and heat planning. This will be useful for consumers as they will be able to visualise where their building stands compared to similar buildings in the same area.
- A “heat pump readiness” standard to let consumers how much they should invest in their property’s insulation before it makes sense to get a heat pump. Hence, homes will be fit for the electrification of heating systems by ensuring the best return on investment.



5

‘Fit for 55’ energy legislation The extension of the Emissions Trading System and the creation of a Social Climate Fund

Why it matters to consumers

Price signals can play an important role in steering consumers’ purchasing decisions towards more sustainable products and services. In the fields of heating and mobility, carbon taxation can contribute to making lower-carbon options – such as heat pumps and electric cars – more competitive vis-à-vis fossil fuel equivalents such as gas boilers and diesel cars. However, for price signals to be efficient and contribute to the energy transition, consumers need to have access to alternatives to polluting products and services. Middle- and lower-income people, for whom electric cars and cleaner heating is often unaffordable, also need to be advised and supported in the transition.

State of play

The **Commission’s** proposals to extend the EU Emissions Trading System (ETS2) to road transport and buildings and to create a Social Climate Fund (SCF) to mitigate the effects on people are sensitive policy measures which need to be carefully assessed. In May 2022, the **European Parliament’s** ENVI and EMPL committees adopted their positions on both files and suggested to exempt individual households from the ETS extension, at least until 2029. In the **Council**, discussions are also going ahead although at a slower pace.

Recommendations for the Presidency

BEUC calls on the Czech Presidency to continue the discussions on the extension of the ETS and the creation of the Social Climate Fund (SCF) with a view to reaching a general approach and an agreement with the European Parliament in trilogue negotiations.

What consumers need

- If the proposed extension of the ETS to road transport and buildings is adopted, strong safeguards will be needed for consumers. The exemption of individual households from the scope until 2029 and measures to introduce price ceilings, as proposed by the European Parliament's ENVI and EMPL committees, are steps in the right direction which should be supported by the Council.
- 100% of the revenues of the ETS extension should be earmarked to fund measures supporting consumers in the transition. Direct support, such as lump sum payments or subsidies to switch to heat pumps and electric cars or to renovate one's home, should be prioritised.
- Money from the Social Climate Fund will only represent a minor share of the level of investment needed to support households in the transition. A share of revenues of the already existing ETS should be earmarked for the Social Climate Fund to increase the financial support to consumers.
- Beyond ETS 2 and the SCF, more ambition is needed on the other files of the Fit for 55 package which should contribute to making the alternatives to unsustainable transport and heating modes more quickly and widely available (see recommendations above).



DIGITAL RIGHTS

1

Artificial Intelligence Act

Why it matters to consumers

Artificial intelligence (AI) 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, but consumers are also 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 April 2021, the **European Commission** proposed an Artificial Intelligence Regulation (AI Act). Work on the proposal is ongoing in **Council** and **Parliament**.

Recommendations for the Presidency

The Commission proposal does not give consumers the rights and protection they need. We urge the Czech Presidency to give a high priority to Council negotiations on the proposal and to make sure that Council’s position establishes a strong framework to ensure that AI systems respect both fundamental and consumer rights and that consumers are adequately protected in case of harm. The EU should be a global standard setter in this area, just as it has been with the General Data Protection Regulation.

What consumers need

- All AI systems should be properly regulated, not just those classified as ‘high-risk’ (e.g. smart meters, AI-powered connected toys, virtual assistants, or AI which determines what people see on social media). The proposal must have a broader scope and introduce a basic set of principles and obligations for trustworthy AI, e.g. on fairness, accountability and transparency, that apply to all AI systems.
- The list of ‘high-risk’ AI systems applications should be expanded. For example, AI to assess insurance premiums and AI payment and debit collection services should also be defined as ‘high risk’.

- The list of forbidden AI practices must be extended and strengthened to include additional harmful practices. AI practices that manipulate someone in a way that can cause them economic harm should also be covered, as well as practices that exploit vulnerabilities other than those related to age or disability (e.g. digital asymmetry and temporary vulnerabilities such as grief, sorrow or emotional distress). The use of remote biometric identification systems in public spaces, as well as the use of social scoring, should be banned both for public and private entities.
- Consumers must have a strong set of rights and access to effective remedies and redress mechanisms in case of harm, including collective redress. In particular, the AI Act should include a right for consumers to complain to a supervisory authority and be brought into the scope of the Representative Actions Directive (RAD).
- The conformity assessment procedure for ‘high-risk AI systems’ must be strengthened. A third-party assessment should be systematically required to assess the conformity of such AI systems.
- Harmonised standards should only be used to define technical requirements, not to define or apply legal principles and fundamental rights.
- The governance structure and the enforcement mechanisms of the AI Act by national authorities should be clarified and improved. For example, the Commission should be able to start an evaluation procedure about an AI system under certain circumstances.
- In addition to the AI Act, relevant existing legislation, including the Product Liability Directive, should be reviewed and updated to ensure that consumers are adequately protected against the risks posed by AI and automated decision-making (ADM) in all areas. The existing body of EU consumer law should also be examined and adapted so that it is fit for meeting its objectives with regard to the use of AI technology.

ADDITIONAL SOURCES

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

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

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

Regulating AI to protect the consumer –
Position Paper on the AI Act
Position paper
[BEUC-X-2021-088](#)

Regulating Artificial Intelligence
Factsheet
[BEUC-X-2022-036](#)

A consumer checklist on protecting consumers
from the risks of AI
Factsheet
[BEUC-X-2022-039](#)

2

Cybersecurity

Why it matters to consumers

The number of connected devices and digital services is skyrocketing. While digitisation provides many benefits for consumers and society, the risks and challenges it brings are equally – if not more – important. Consumers expect connected products to be safe and secure. Ensuring cybersecurity keeps up with digitisation of consumer products is of utmost importance in a connected world. Cyberattacks on connected products place consumers at risk and endanger their privacy, security and even physical safety. These attacks may even lead to fraud, personality theft and financial loss for consumers.

State of play

The Commission has announced a new horizontal cybersecurity law (European Cyber Resilience Act), expected in the third quarter of 2022.

Recommendations for the Presidency

The Czech Presidency should provide priority support for the upcoming Cyber Resilience Act (CRA) and steer the initial debates on the Council position towards ensuring that the CRA provides the highest level of cybersecurity protection possible for consumers.

What consumers need

The upcoming Cyber Resilience Act should:

- Establish mandatory security minimum requirements that are applicable to all consumer connected products and their associated services, not only high-risk products. These requirements must include:
 - Security by design and provision of security updates
 - Strong authentication requirements
 - Encryption requirements.
- 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).

ADDITIONAL SOURCES

Cyber resilience act: cybersecurity of digital products and ancillary services
Position paper
[BEUC-X-2022-051](#)

Protecting European Consumers in the World of Connected Devices
Position paper
[BEUC-X-2021-091](#)

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

3

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. 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.

State of play

In January 2017, the **European Commission** proposed 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 started in May 2021 and have continued under the Slovenian and French Presidencies.

Recommendations for the Presidency

We urge the Czech Presidency to swiftly conclude the trilogue negotiations. The new Regulation must not result in a lower level of protection compared to the existing ePrivacy Directive and the General Data Protection Regulation (GDPR). 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 consumers need

- Electronic communications must be confidential. Over-the-top services (OTTs) such as Skype and WhatsApp 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 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.
- Users should be able to mandate NGOs to represent their interests, and NGOs must be able to take initiatives whenever users' rights have been breached, in line with the European Parliament's position.

ADDITIONAL SOURCES

ePrivacy Regulation: Recommendations for
trilogue negotiations
Position paper
[BEUC-X-2021-106](#)

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

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

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

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

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

4

Data Act

Why it matters to consumers

When they use connected devices, consumers generate a great amount of data. Data is key for competition, consumer choice and innovation. However, consumers often cannot control how the data generated by their devices is used. This prevents them from being able to benefit from the added value that this data can unlock, for example accessing a wider choice of after sales services to repair their devices or the development of new innovative services associated to such devices.

State of play

In February 2021, the **European Commission** published a proposal for a Data Act. The proposal aims to establish a framework to lay down harmonised rules for access and availability of data generated using connected products or related services.

Recommendations for the Presidency

BEUC encourages the Czech Presidency to reach a position in Council which duly places consumers at the centre and protects their interests. In particular, the Data Act must be fully in line with the General Data Protection Regulation and strengthen consumer rights and protection, giving them effective control over the data generated by their devices and protecting them from unfair practices by device manufacturers and third-party service providers.

What consumers need

The Data Act must:

- Ensure that consumers are in control of the data that their connected devices and associated services generate. They should be able to decide freely and control when and with whom to share or give access to this data.
- Protect consumers against unfair contractual obligations imposed by device manufacturers related to data access, and against deceptive design practices by manufacturers or third-party service providers aimed at prompting consumers to give access to their data.
- Include safeguards to prevent the further accumulation and exploitation of third-party data by gatekeeper companies, be it by gaining it from data holders or by monitoring users' and data recipients' interactions with data.
- Ensure that consumers have access to all the necessary remedies and redress mechanisms if their rights are not respected, including those envisaged under the Representative Actions Directive.

ADDITIONAL SOURCES


Consumers must be at the centre of the Data Act proposal
Letter
[BEUC-X-2022-021](#)


For more information: digital@beuc.eu



INTERNATIONAL AFFAIRS

1

EU-US cooperation agenda

Why it matters to consumers

Consumers could benefit from a fairer and safer transatlantic market. Encouraging regulators on both sides to talk to each other can lead to better decision-making. Joint actions by EU and US regulators against market issues such as dangerous products sold online, greenwashing or buy-now-pay-later schemes could be an outcome of such talks.

State of play

In June 2021, the EU and the US officially launched a new cooperation agenda following their bilateral summit. This takes the form of many regulatory dialogues, including one on agriculture, one on competition, a taskforce for energy security, the Trade and Technology Council, (itself composed of 10 working groups), and a consumer dialogue. Some, though not all, of these workstreams have featured public declarations and/or meetings, with the most recent one held in Saclay, France in May 2022.

Recommendations for the Presidency

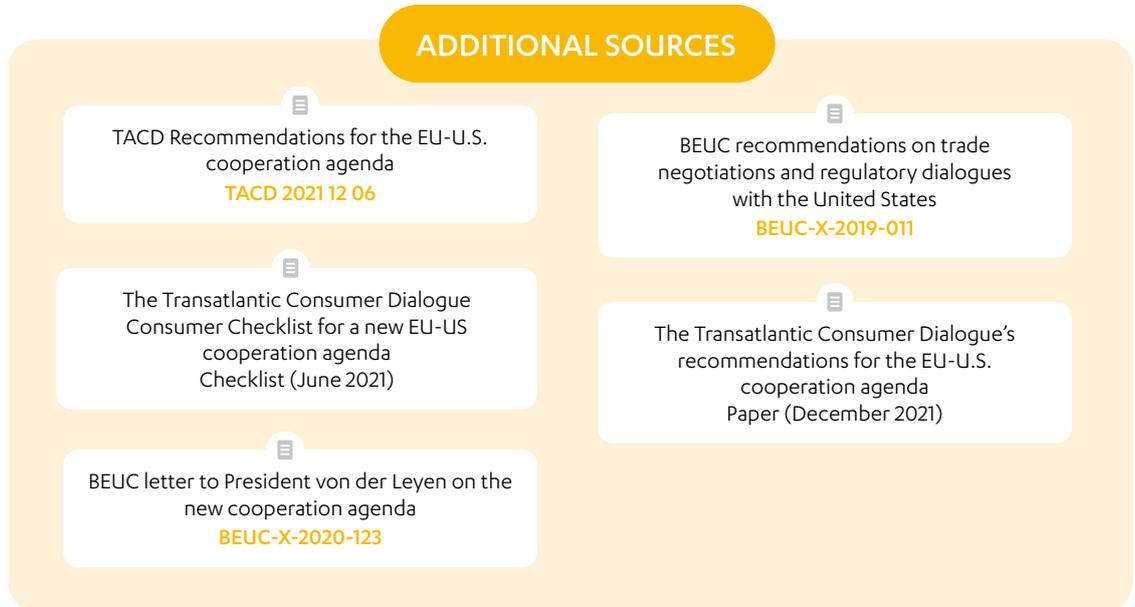
We call on the Czech Presidency to ensure that the European Commission sets up a clear overarching governance for the dialogues. This should prevent them from running in different directions on overlapping topics (such as digital affairs). Secondly, we recommend the Presidency urges EU institutions to proactively communicate about the dialogues' ongoing discussions and deliverables, while enabling civil society to give input on a continuing basis.

What consumers need

As the EU has done for trade negotiations, it should define a governance policy for its cooperation with the US. This should include:

- Delivery to consumers: consumer protection and welfare are the overarching objectives of the cooperation. We specifically welcome the dialogue on consumer protection led by DG Justice on the EU side. At the same time, discussions on consumer-relevant themes in other dialogues should not run counter to the deliverables of this consumer protection dialogue.
- Be transparent and involve civil society: the public must be aware of what is discussed on their behalf. Regular consultation must be organised for the whole cooperation agenda. The Trade and Technology Council's 'Futurium' makes a start at this. Such consultation should be the case for all the dialogues and enable civil society to give substantive input. Consumer groups should be involved in the development of the consumer dialogue.

- Strive towards a fair, safe and just digital society. What might help here is for the EU and US authorities to illustrate clearly how consumers stand to benefit from any deliverable authorities have in mind.
- Safeguards must be put in place to prevent any regulatory ‘chilling effect’. This means that the cooperation must be used as a tool to find common solutions to common problems, rather than used to prevent either side from regulating.



2

World Trade Organization e-commerce negotiations

Why it matters to consumers

Consumers buy goods and services online every day. However, they can encounter various problems when buying from sellers located outside the EU. 86 countries are negotiating a new rulebook for e-commerce in the World Trade Organization (WTO). This initiative should therefore aim to protect consumers and bring them benefits.

State of play

In 2019, 76 countries – including the EU 28 – announced the launch of plurilateral negotiations on e-commerce. Since then, several rounds of negotiations have taken place. A consolidated text was agreed in December 2020. Several articles have been agreed, included on online consumer protection. 2022 has been announced as the year of discussions on sensitive topics – such as algorithms and data flows.

Recommendations for the Presidency

We call on the Czech 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 broader 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 data protection and artificial intelligence – must be regulated by EU law. Consumer organisations wish to avoid that weak(er) levels of protection are locked into a trade agreement, which would limit the EU's ability to enhance consumer protection in the future.

What consumers need

- The negotiations should bring tangible benefits to consumers. Such benefits could 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 working on consumer protection, enforcement and product safety.
- 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 Czech 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 be made safer for people.
- The EU should ensure that WTO e-commerce negotiations do not prevent authorities from auditing artificial intelligence systems. To that end, the Commission should revise its source code discipline proposal to narrow the exception. This is key to preventing bias and discrimination, as well as to protecting people's fundamental rights.
- 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](#)

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](#)

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

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". However, tangible benefits – such as reduced telecoms prices, prevention of geo-blocking practices and easy access to redress – are absent from current trade agreements. Consumer protection is not always guaranteed and can be undermined by tools like regulatory co-operation and investment protection if the agreements are not carefully designed.

State of play

Since the trade talks with Australia and New Zealand were officially launched in July 2018, many negotiation rounds have taken place. The EU has proposed ambitious rules for consumers, notably to enhance their online trust. Some proposals have already been merged into consolidated texts. BEUC understands the talks with New Zealand may conclude in 2022, with the format having changed from dedicated rounds to negotiations on a rolling basis.

Recommendations for the Presidency

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

What consumers need

- 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 priority and to co-operate 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

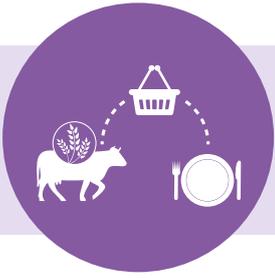
The consumer checklist for a positive EU-Australia trade agreement
Position paper

BEUC-X-2018-053

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

BEUC-X-2018-052

For more information: international@beuc.eu



FOOD

1

Food information to consumers

Why it matters to consumers

Clear and comprehensive food labelling allows consumers to know what they are buying and to compare and select products easily according to their needs, preferences and interests. But today's food labels do not make it easy for consumers to spot the healthier option. They lack transparency on food origin and the composition and nutritional value of alcoholic beverages, and date marking is poorly understood by consumers.

State of play

As part of its 2020 Farm to Fork Strategy, the **European Commission** announced several legislative initiatives related to food labelling in a bid to "empower consumers to make informed, healthy and sustainable food choices". In its 2021 action plan to turn the tide against cancer, it has further announced a proposal for improving consumer information on alcoholic beverages. A proposal for a revision of the Food Information to Consumers Regulation as regards front-of-pack nutrition labelling and nutrient profiles, origin labelling, date marking, and alcohol labelling is expected by the end of 2022

Recommendations for the Presidency

We encourage the Czech Presidency to initiate discussions on the proposal for a revision of the Food Information to Consumers law, with a particular focus on enabling informed consumer food choices.

What consumers need

- 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 at least 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.
- Mandatory labelling of the nutritional composition and list of ingredients on the bottle of alcoholic drinks.
- Clearer and more understandable date marking.

ADDITIONAL SOURCES

Revision of EU legislation on Food Information to Consumers
Position
BEUC-X-2022-024

2

Promotion policy for agricultural products

Why it matters to consumers

Despite evidence of Europeans' diets not being in line with healthy eating guidelines and having major environmental impacts, the EU continues to spend significant amounts of taxpayers' money to encourage consumption of e.g. meat, and alcoholic beverages. To accompany and facilitate the shift in eating habits, the EU promotion programme should be aligned with recommendations for healthy and sustainable diets.

State of play

The Commission is undertaking a review of the promotion policy for agricultural products, with a view to bringing it more in line with the EU's Farm to Fork Strategy and Beating Cancer Plan objectives. A legislative proposal, initially due in Q1 2022, is now expected around the autumn of 2022.

Recommendations for the Presidency

We call on the Czech Presidency to swiftly start discussions on the proposal for a revision of the EU promotion policy for agricultural products, with a particular focus on consumer interests and policy coherence.

What consumers need

- The EU must stop funding promotional campaigns for products Europeans should consume less of (including meat and alcoholic beverages). Instead, funds should be redirected to promote more consumption of fruit and vegetables, but also wholegrains, pulses and other foods Europeans should eat more of.
- New conditionality requirements and eligibility criteria should be introduced in the promotion policy to ensure full alignment with the Farm to Fork Strategy and EU Beating Cancer Plan.

ADDITIONAL SOURCES

BEUC response to public consultation on EU Commission roadmap
BEUC letter
BEUC-L-2021-051

For more information: food@beuc.eu



HEALTH

1

A stronger EU general pharmaceutical legislation

Why it matters to consumers

Consumers in Europe regularly encounter problems when trying to access medicines which are crucial for their health. For example, medicines may not be available at the pharmacy or not be reimbursed because of their high price and the strain they put on public health budgets.

State of play

At the end of 2022, the **European Commission** will table a proposal for a revised Directive on medicinal products (Directive 2001/83/EC), and a revised Regulation establishing the centralised marketing authorisation procedure and the European Medicines Agency (Regulation 726/2004).

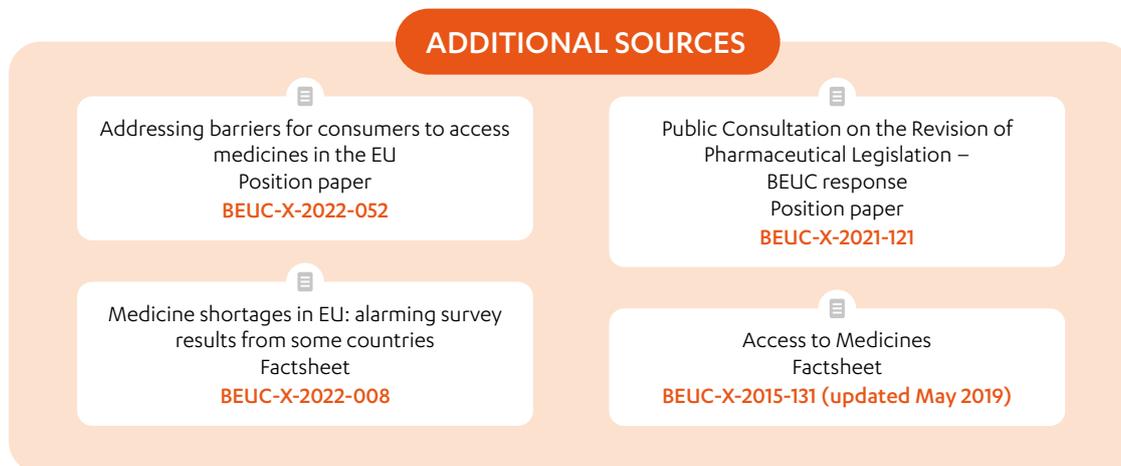
Recommendations for the Presidency

An exchange of views among Member States should swiftly be organised as it is urgent to identify policy solutions that improve marketing authorisation, availability and affordability of medicines.

What consumers need

- Consumers need safe and effective medicines that serve their needs, and which are available.
- To improve marketing authorisation, companies must submit more robust evidence on medicines' safety and efficacy. Early approval schemes need to be limited to justified situations.
- Package leaflets must be legible and understandable and continue to be contained in the box of medicines. Digital information can only be a complement. Pharmacies should not be asked to print leaflets as this is burdensome for both consumers and pharmacies.
- To improve availability of medicines, pharma companies must submit drug shortage prevention plans to public authorities. Keeping safety stocks must be mandatory to prevent drug supply disruptions. Shortages must be notified earlier by companies and centrally authorised products be available across the EU. Authorities must step up their monitoring of supply and demand and consumers should be able to report on shortages. Member States must apply dissuasive penalties for non-compliance with the future rules.

- To improve medicine affordability, it will be important to revisit the intellectual property incentives system. The introduction of generics and biosimilars on the market should be facilitated through a revised 'Bolar exemption'.



2

European Health Data Space

Why it matters to consumers

Health data holds the potential to significantly advance our knowledge about disease prevention and treatment. Giving consumers better control of their health data while facilitating health professionals' access to such data can also improve cross border health services in the EU. However, the risks for consumers are high, given the sensitivity of health data. It is imperative that strong safeguards are established to guarantee personal data protection, privacy, security and accuracy for consumers to benefit from unlocking access to health data.

State of play

The **European Commission** published a legislative proposal for the European Health Data Space on 3 May 2022.

Recommendations for the Presidency

We encourage the Czech Presidency to ensure that the protection of consumers' health data is at the core of a future European Health Data Space.

What consumers need

The European Health Data Space must:

- ensure consumers' access to and control over their own health data
- include strong safeguards to prevent abuses through secondary use of health data by health professionals or research entities
- include obligations regarding anonymisation and pseudonymisation of health data when it is used for research purposes
- include quality and security standards for all information systems where health data is generated, used or stored so as to prevent data misuse and unauthorised access
- include adequate accountability, liability and redress mechanisms in case of data loss or misuse resulting in patient or consumer harm related to health, discrimination and/or other forms of harm
- be subject to strong public oversight and enforcement to ensure compliance with data protection rules and other legal obligations.

ADDITIONAL SOURCES

Legislative proposal on a European Health Data Space
BEUC response to public consultation
BEUC-X-2021-071

Digital Health Principles and Recommendations
Position paper
BEUC-X-2018-090

Use of secondary health data
Consumer checklist
BEUC-X-2020-101

For more information: health@beuc.eu



FINANCIAL SERVICES

1

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 if credit is misused, becomes unsustainable and/or causes over-indebtedness, the negative consequences for borrowers, lenders and economic stability can be huge.

State of play

The **European Commission** published in June 2021 its proposal for a revised Directive on consumer credits (CCD). A general approach was adopted under the French Presidency. Trilogues with the European Parliament will start under Czech Presidency.

Recommendations for the Presidency

BEUC welcomes that the Commission proposal would introduce many improvements to consumer protection as regards the creditworthiness assessment, the extension of the rules' scope to credits below €200 and caps on interest rates and/or the total cost of the credit. We call on the Czech Presidency to seek rapid agreement on the proposal in trilogues to ensure further improvements of consumer rights and protection in the consumer credit market.

What consumers need

- Scope: extension of the rules' scope to small loans below €200, crowdlending platforms and buy-now-pay-later schemes must be ensured to widen protection, especially for vulnerable consumers. In addition, future digital credit services must also be covered.
- Creditworthiness assessment: the revised CCD would oblige lenders to assess the ability of consumers to repay their credit through a creditworthiness assessment. The Directive must set out clear rules to guarantee a high and even level of consumer protection. For instance, the CCD should prohibit (with narrow exceptions) the provision of credit in case of a negative creditworthiness assessment.
- Financially relevant data: credit intermediaries increasingly rely on alternative consumer data from non-traditional sources (such as social media profiles) to build consumer credit scores. This creates the risk of discrimination for consumers and raises concerns about data protection and privacy. The CCD must include rules to ensure that only well-founded and pertinent data about consumers is used by creditors when assessing the creditworthiness of a consumer.

- High-cost credit often leads to issues of affordability and spiralling debt for consumers. The Directive must establish a cap on the total cost of credit. Additional incentives should be put in place for environmentally sustainable loans (“green loans”).
- Fair treatment of borrowers with repayment difficulties: the CCD must include an obligation for creditors to treat fairly borrowers who are having difficulties with repayment. The Directive should oblige lenders to grant leniency measures (e.g. loan extensions, payment deferrals) to consumers in financial difficulty, and to refer them to impartial and free debt advice services in their area.

ADDITIONAL SOURCES

Consumer Credit Directive
Key points for consumers
BEUC-X-2021-097

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

2

Instant payments

Why it matters to consumers

Some banks now offer instant payment, a transfer where the beneficiary receives the funds in less than five seconds. This new transfer is as easy as using cash: the money is available immediately following payment. But the immediacy of this type of transaction also presents risks.

State of play

In its 2020 Retail Payments Strategy [European Commission](#) confirms its intention to foster the take-up of instant payments in the EU. The [European Commission](#) is due to come forward with a legislative proposal on Instant Payments in September 2022.

Recommendations for the Presidency

We urge the Czech Presidency to follow the European Council’s recommendations in its conclusions dated 22 March 2021 about the Retail Payments Strategy. In particular, the European Council recommends that the European Commission considers taking legislative action to promote adherence by banks to the Single European Payments Area Instant Credit Transfer (SCT Inst.) Scheme.

What consumers need

- Instant payments should become the “new normal”: banks providing transfer services should also be required to provide instant payments services.
- Targeted measures to allow consumers to easily modify or cancel transactions.
- Measures to prevent fraud, such as the use of ‘request to pay’ or ‘confirmation of payee’ solutions.
- The information provided by BEUC member organisations shows wide variations in the additional fees that banks charge for instant payments. These extra charges are significantly higher than those associated with traditional transfers, which is unacceptable.
- Instant payments will give the consumer the option of paying by transfer in stores. Consumer’s freedom of choice with respect to the various payment instruments must be guaranteed.

ADDITIONAL SOURCES

How to make instant payments the new normal
Factsheet
[BEUC-X-2022-035](#)

A retail payments strategy for the EU
Position paper
[BEUC-X-2020-072](#)

Consumers and instant payments: Answers to the Commission’s consultation on the content of a new legislation
Position paper
[BEUC-X-2021-027](#)

3

Revision of the Distance Marketing of Financial Services Directive

Why it matters to consumers

With the spread of digitisation, which has been accelerated by the Covid-19 crisis, the sale and marketing of financial service products is increasingly moving online. This creates new opportunities, but also substantial risks for consumers. At the same time, traditional distance-marketing techniques, such as cold calling, are still used to lure the most vulnerable consumers. A horizontal safety net at EU-level covering all financial products, especially new products, remains important and needs to be updated.

State of play

The **European Commission** presented a legislative proposal in May 2022. Negotiations in Council are expected to start under the Czech Presidency.

Recommendations for the Presidency

An update of the current Directive, which dates back from 2002, is urgently needed. We encourage the Presidency to promptly start Council negotiations and to ensure a high level of comprehensive consumer protection.

What consumers need

- a horizontal safety net covering all financial products to protect consumers when it comes to aspects not covered by product-specific legislation and for new products which constantly come onto the market
- complete and clear pre-contractual information, a simplified procedure to use their right of withdrawal (in one click) and protection against all unsolicited sales, including pre-ticked boxes
- better protection when purchasing financial services online, for instance against dark patterns and the right to human intervention when automated decision-making procedures are used
- strengthened enforcement powers and resources of national authorities and enhanced coordination among relevant authorities.

ADDITIONAL SOURCES

Public Consultation on the Directive on Distance Marketing of Consumer Financial Services
BEUC response
[BEUC-X-2021-085](#)

4

EU Taxonomy for sustainable activities

Why it matters to consumers

The EU Taxonomy is a classification system that is being established by the European Union to clearly define which types of economic activities can be judged as 'sustainable'. The Taxonomy is at the core of the EU's efforts to make European financial markets more sustainable and is meant to give consumers more clarity about the sustainability of their investments and combat greenwashing practices in the financial services sector.

State of play

In December 2021, the **European Commission** adopted a Complementary Delegated Act to include fossil gas and nuclear power generation in the Taxonomy as activities which significantly contribute to sustainability (generally called ‘green’).

The emissions targets for gas are significantly in excess of other forms of energy generation in the Taxonomy and are irreconcilable with the EU emissions targets. For nuclear, matters such as risk, waste management and biodiversity have not been adequately accounted for. Several Member States have announced their opposition, and some have announced they are considering legal challenges if this act of greenwashing becomes law.

Recommendations for the Presidency

On 14 June the ECON and ENVI committees in the European Parliament vetoed the Commission’s proposal. It is becoming clear that opposition to this proposal is not just a civil society demand but also supported by most political groups. We call on the Czech Presidency, in the context of the scrutiny procedure, to reject the inclusion of gas and nuclear in the proposed Delegated Act.

We urge the Czech Presidency to ensure that credible rules are maintained for the EU Taxonomy so that it supports consumers in making effective decisions about the sustainability of their investments instead of undermining green finance.

What consumers need

- Investments in gas and nuclear should be excluded from any future EU Taxonomy rules. The inclusion of harmful economic activities like gas would undermine the usefulness and the credibility of the EU Taxonomy in the eyes of consumers, who would not wish to rely on the label when making investment decisions.
- A Taxonomy of sustainable activities must be entirely science based, to be true and useful for consumers. Sustainability is not a matter of political compromise, but of objective facts. Defining sustainability along political fault lines – instead of science – would amount to institutional greenwashing.
- The European Commission should also urgently develop a “red” taxonomy of economic activities that harm the environment and a social taxonomy of activities that have a positive impact on social cohesion.

ADDITIONAL SOURCES

How green is green finance?
Can consumers trust the Taxonomy?
Factsheet
BEUC-X-2021-101

EU taxonomy Delegated Act
Letter to European Commission
BEUC-X-2021-029

For more information: financialservices@beuc.eu



CONSUMER RIGHTS

1

Empowering consumers 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, products tend to be poorly designed and break too fast. In addition, to make sustainable choices, consumers need reliable information and must be protected against misleading green claims, which abound on the EU 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 March 2022, the [European Commission](#) published a proposal for a Directive amending the Unfair Commercial Practices Directive (UCPD) and the Consumer Rights Directive (CRD). Negotiations on the proposal have started in the Parliament and in the Council and will continue under the Czech Presidency.

Recommendations for the Presidency

BEUC welcomes the proposal and sees it as a good first step to improving consumer information and rules protecting consumers from misleading practices. However, several improvements are needed. We call on the Czech Presidency to seek rapid agreement on the proposal in Council and to ensure that the new rules will truly empower consumers for the green transition.

What consumers need

- Clearer and standardised information about products' guaranteed lifespans would allow consumers to compare products and easily identify those that are more durable. To do so, a new mandatory durability label should be introduced to display durability information to consumers. Such a label should combine information about both the legal and the commercial guarantees of durability.
- Clear, comparable and credible information about the periods for which software updates will be available. Traders should always take into account the existing legal requirements for how long the updates need to be supplied and display these periods as a minimum.

- Information on product repairability in a harmonised format (repairability score) to enable easier product comparisons and to create market advantage for more repairable products.
- Protection against unfair commercial practices causing the premature obsolescence of consumer goods, by explicit bans of certain practices. It must not be required to prove that the practice was intentional.
- Strengthened and more explicit rules protecting consumers from greenwashing practices. Certain claims that are impossible to be true from a scientific point of view, such as “carbon neutral” and equivalents, should be explicitly banned.

ADDITIONAL SOURCES

Durable and repairable products: changes needed for a successful path towards the green transition
Position paper
[BEUC-X-2021-061](#)

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

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

2

Right to repair

Why it matters to consumers

Products often break down too early. Consumers are increasingly open to invest in buying better quality products, but they need a guarantee that they will be repaired if something goes wrong.

State of play

In the Circular Economy Action Plan, the [European Commission](#) announced that it will consider introducing a “right to repair”. The legislative proposal is currently expected end of 2022.

Recommendations for the Presidency

BEUC urges the Czech Presidency to support an ambitious set of measures to ensure a proper right to repair for European consumers. We encourage the Presidency to promptly start Council negotiations on this proposal once the Commission presents it and to give it the high priority it requires.

What consumers need

- Longer legal guarantee periods for certain more durable goods which could be established via product policy legislation (Ecodesign implementing measures)
- Direct producer liability for non-conformity of products
- Longer reversal of the burden of proof which should match the legal guarantee periods, to ensure that the guarantee rights can be exercised by consumers in practice
- New remedies encouraging repairs; imposing repair as the only available remedy to consumers is not a solution
- Further strengthening the obligation to provide software updates in accordance with the lifespan of a product
- Making sure that repairs are economically attractive for consumers and easily accessible.

ADDITIONAL SOURCES

Sustainable consumption of goods – promoting the right to repair and reuse
Position paper
BEUC-X-2022-034

Durable and repairable products: changes needed for a successful path towards the green transition
Position paper
BEUC-X-2021-061

3

Revision of the Product Liability Directive and new rules on civil liability for AI systems

Why it matters to consumers

The 36-year-old Product Liability Directive is outdated and thus fails to provide sufficient protection for consumers in the context of new digital technologies, such as connected devices and systems driven by artificial intelligence.

State of play

BEUC welcomes that the **European Commission** finally confirmed its intention to revise the Product Liability Directive and introduce new civil liability rules for AI systems. A public consultation took place from October 2021 to January 2022. The legislative proposal (or possibly two proposals) is expected in Q3 2022.

Recommendations for the Presidency

We encourage the Presidency to promptly start Council negotiations on these initiatives once the Commission presents them and to give them the high priority they deserve.

What consumers need

- The burden of proof should be shifted from the consumer to the company, because of the complex nature of products in the digital environment and because of the opacity of AI systems.
- The notion of ‘defect’ should be revised, e.g. to cover also cybersecurity issues of connected devices.
- On-line marketplaces should be included in the scope of the Product Liability Directive and should become subsidiarily liable if the producer or importer of a defective product cannot be held liable for damage caused by a defective product.
- The risk-development defence or the late defect defence are incompatible with the dynamic nature of digital goods and should be revised.

Specific considerations for civil liability rules for AI systems:

- Liability rules for AI systems should cover all risks and ‘low risk’ and ‘high risk’ AI systems.

ADDITIONAL SOURCES

Adapting civil liability rules to the new digital technologies. Accompanying paper to BEUC’s response to the European Commission’s public consultation on Civil liability – adapting liability rules to the digital age and artificial intelligence
Position paper
BEUC-X-2022-002

Product Liability 2.0: How to make EU rules fit for consumers in the digital age
Position paper
BEUC-X-2020-024

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ENFORCEMENT AND REDRESS

1

Efficient enforcement

Why it matters to consumers

Enforcement of EU consumer law still mostly takes place at national level and so depends on the resources and powers of national authorities and courts. This results in significant differences in the rights consumers can exercise in practice. It is even more problematic when traders from third countries cause harm – either by selling unsafe and dangerous products or by simply breaching 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

Several parts of EU legislation related to enforcement of consumer protection rules are currently being evaluated by the European Commission. The 2017 EU Regulation on Consumer Protection Cooperation (CPC) establishes rules for cooperation among national authorities in tackling widespread and cross-border infringements in the EU. The European Commission is currently conducting an evaluation of the CPC Regulation.

In parallel, the European Commission is also evaluating the existing consumer Alternative Dispute Resolution (ADR) regulatory framework. Established in 2013, the consumer ADR framework's potential still must be unlocked.

Recommendations for the Presidency

BEUC calls on the Czech Presidency to initiate a discussion in Council to encourage stronger and more efficient enforcement, via public and private systems to protect consumers effectively, as well as closer cooperation between consumer associations and public authorities to improve enforcement measures. 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 consumers need

- 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.
- Solutions must be found to ensure that traders from non-EU countries do not get away with breaking EU consumer law.
- Consumers should have access to high quality ADR entities across Europe to solve their disputes.

ADDITIONAL SOURCES

Stepping up the enforcement of consumer protection rules
Report
[BEUC-X-2020-083](#)

Five years of Dieselgate: a bitter anniversary
Report
[BEUC-X-2020-081](#)

32 Recommendations for stepping up the enforcement of consumer protection rules
Annex to report
[BEUC-X-2020-083](#)

2

Collective redress and support for qualified entities

Why it matters to consumers

From financial mis-selling scandals to faulty medical implants, consumers across the EU sometimes fall victim to products or services that cause them harm. But they usually have very little chance to get compensation in court because legal proceedings are expensive and time-consuming. In situations of mass harm, often the only realistic option for consumers is to try to obtain compensation by going to court together (collective redress). 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.

State of play

The adoption of the new Directive on Representative Actions in 2020 was a huge milestone in the EU's consumer policy. However, the process of implementation at national level, which should be completed by December 2022, seems to be lagging behind in many countries. Consumer associations have also not

always been consulted in the process. Furthermore, the Representative Actions Directive did not touch upon the existing EU private international law rules making the resolution of cross-border mass claims very complex and uncertain in practice. Issues relating to the identification of the competent jurisdiction are only briefly discussed in the context of an evaluation of the Brussels 1 bis Regulation which is currently being conducted by the European Commission.

Recommendations for the Presidency

We ask the Czech Presidency to support discussion between Member States and exchange of best practices on how to ensure the best implementation of the Directive, on adequate financing for representative actions, and on the revision of EU private international law rules applicable to cross-border mass claims.

What consumers need

- The criteria for who can become a 'qualified entity' to bring domestic representative actions should not be defined in such a way that prevents consumer associations from taking up this role.
- Consumer associations should be supported by governments to become strong private enforcers, using both injunctions and collective redress actions. This would 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.
- EU private international law rules should be adapted to the specificities of cross-border representative actions.

ENDS

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- 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 Vartotojų aljansas
- 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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