



French Presidency 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 French member organisations are UFC-Que Choisir and CLCV (Consommation Logement et Cadre de Vie).

The EU's efforts to embrace the green transition have now translated into many proposals presented in summer 2021 by the European Commission as part of the 'Fit for 55' package. The French Presidency will have a pivotal role in revising many energy-related files. As for the digital transformation underway, the Presidency has a number of files on its plate with the potential to fundamentally shape the digital future for Europeans. This must be done in a way that improves everyone's lives.

Numerous legislative and non-legislative files of relevance to consumers will 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.

In addition to the priority of recovering from COVID-19 and the need to swiftly adopt proposals to implement the EU's flagship European Green Deal, 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 and 'Empowering the consumer for the green transition':** 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. This initiative will complement the expected consumer empowerment proposal which should give consumers better information regarding products' durability and repairability and introduce measures to counter greenwashing and premature product obsolescence.
- **The Artificial Intelligence Act:** 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. 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 Digital Services Act (DSA) and the Digital Markets Act (DMA):** the EU's flagship initiatives on the platform economy, the proposed Regulations on digital services (DSA) and on gatekeeper companies (DMA), are highly important for consumers. While the DSA should increase the liability of online marketplaces to ensure safe products and services and tighten the due diligence obligations of platforms, the DMA must create more open and fairer digital markets for consumers.

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 France a most successful Presidency.

Monique Goyens
Director General

Klaus Müller
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, electric 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). This legislation must therefore be revised.

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 main points discussed so far have been the obligations of economic operators, including online marketplaces. During negotiations we expect the safety net function, the impact of new technologies and recall procedures to also be debated, as well as penalties for non-compliant economic operators.

Recommendations for the Presidency

As the GPSD reform is long overdue, there is an urgent need for the French Presidency to make good progress on the file and to achieve a general approach. 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.

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
- 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

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](#)

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

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 those 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 French 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 French 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 French 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.

ADDITIONAL SOURCES

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



SUSTAINABLE MOBILITY

1

Proposals on CO2 reduction targets for cars and Alternative Fuels Infrastructure EU initiatives to boost cross-border rail services and multimodal journeys

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). While the new AFIR is making rapid progress in the legislative procedure, Council discussions have yet to start on CO2 standards for cars.

In December 2021 and early 2022, the **Commission** is expected to propose several initiatives to boost cross-border rail services and facilitate multimodal journeys, including rules on data exchange between transport operators, new mobility services and travellers' protection.

Recommendations for the Presidency

BEUC calls on the French Presidency to accelerate 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. The French Presidency should also kick-start discussions in Council on cross-border rail services and multimodal journeys.

What consumers need

- New CO₂ standards for cars should include an interim target in 2027 to accelerate the trend towards electrification during this decade. BEUC's analysis has shown that electric vehicles will become a financially attractive solution for all consumers in Europe as of 2025. The Regulation should only promote zero-emission vehicles and set a phase-out date for sales of new combustion engines by 2035, including plug-in hybrids.
- The new Alternative Fuels Infrastructure Regulation 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.
- The revision of the Intelligent Transport Systems (ITS) Directive and new proposals on cross-border rail services should focus on mandatory access to static and dynamic data (e.g. travel disruptions and delays), and enabling combined bookings with different operators so as to 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.
- Passengers must be better protected when undertaking cross-border connected rail journeys, and must enjoy full passenger rights when using multimodal transport. The ITS Directive should also focus on enabling the introduction of integrated EU-wide ticketing and payment systems.

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](#)

Proposal for a European Year of Rail 2021
Position paper
[BEUC-X-2020-041](#)

Towards affordable electric cars for consumers: key points for the new CO₂ standards for cars
Factsheet
[BEUC-X-2021-080](#)

Making electric car charging convenient for consumers - BEUC key asks for the Alternative Fuels Infrastructure Regulation
Factsheet
[BEUC-X-2021-081](#)

For more information: sustainability@beuc.eu



SUSTAINABLE PRODUCTION AND CONSUMPTION

1

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

In Spring 2022, the [European Commission](#) is due to present the Sustainable Product Initiative (SPI), which is to include a revision of the Ecodesign Directive, as well as additional legislative measures to address specific sectors.

Recommendations for the Presidency

BEUC calls on the French Presidency to quickly launch Council discussions on the SPI and the revision of the Ecodesign Directive 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 Ecodesign Directive should be extended to cover more products beyond energy-using and energy-related ones, such as textile products and furniture.
- The Ecodesign Directive should become a broader horizontal instrument that covers more products based on a life-cycle approach and identifies key sustainability principles and measures applicable to all sectors, such as resource efficiency, durability, availability of software updates and spare parts, restrictions on hazardous substances and recyclability.
- The Ecodesign implementing measures should systematically introduce durability requirements that serve as the basis for establishing legal guarantee periods for more durable goods.

- The European Commission should allocate sufficient resources to enable the development of meaningful Ecodesign regulations, and the prompt revision of existing ones to ensure alignment with technological advances. Moreover, voluntary agreements should no longer have priority, as they often take longer than expected to be adopted and their level of ambition is too low.
- 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 being a step ahead and ensure its criteria reflect environmental excellence, while Ecodesign instruments would determine the minimum level of sustainability of products.

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](#)

2

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: a proposal for “Substantiating green claims” and a proposal for “Empowering the consumer for the green transition” (both due in spring 2022). They were later confirmed by the new Consumer Agenda, published in November 2020.

Recommendations for the Presidency

We encourage the Presidency to promptly kick off Council negotiations once the Commission presents these proposals and to give them the high priority they deserve.

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', 'climate-friendly').
- 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

‘Fit for 55’ energy legislation

Why it matters to consumers

As current energy price increases show, the EU’s dependency on fossil fuel imports makes it very expensive for consumers 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. In parallel, carbon pricing measures can help to make sustainable modes of transport and heating more competitive vis-à-vis fossil-fuel based technologies.

State of play

As part of the ‘Fit for 55’ package published in July 2021, the **European Commission** presented proposals to revise the Directives on Renewable Energy (RED) and Energy Efficiency (EED). It has also proposed to extend the EU Emissions Trading System (ETS) to road transport and buildings and to compensate the distributional effects of extended carbon pricing through the creation of a ‘Social Climate Fund’.

In December 2021, the European Commission is due to put forward proposals to revise the Energy Performance of Buildings (EPBD) and the Gas Directives.

Recommendations for the Presidency

We encourage the French Presidency to advance negotiations on all these important legislative initiatives in the Council, with a view to reaching general approaches which prioritise consumers’ needs.

What consumers need

- **Consumer rights in gas and district heating:** 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) and the Gas Directive.
- **Heating and cooling decarbonisation:** The Renewable Energy Directive should empower consumers to shift to renewable heating and cooling systems. 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. The RED should also include measures to ensure that there are enough certified installers to roll out these renewable heating technologies. Renewable based

district heating and heat pumps are the cheapest and the most sustainable renewable based heating solutions. To protect consumers from being trapped in a very expensive energy future, the Gas Directive should therefore not promote hydrogen blending in gas grids to decarbonise heating.

- **Accelerating housing renovation:** Consumers need support for the energy retrofit of their homes from A to Z. For this, the EED and the EPBD should promote ‘one-stop-shops’ which can not only support consumers at every stage of their renovation projects but also help accredited installers. The EPBD should improve Energy Performance Certificates and support the roll out of Minimum Energy Performance Standards.
- **Fighting energy poverty:** it is crucial that the EED includes mandatory objectives for Energy Saving and Energy Efficiency Obligation Schemes to promote energy efficiency measures among energy poor households. The EED should also target energy savings in multi-unit buildings and in rural areas, which require special attention.
- **Emissions Trading System (ETS):** if the proposed extension to road transport and buildings goes ahead, it is essential that the mitigating measures foreseen under the Social Climate Fund fully soften the distributional effects of carbon pricing on consumers. It is therefore essential that 100% of revenue from the extended ETS is fully earmarked for consumers, either in the form of direct lump sum payments, or support to consumers switching to alternatives to fossil-based technologies or investing in energy efficiency. Moreover, revenues from the extended ETS could be complemented by earmarking an additional share of the revenues from the general ETS to compensate households.

ADDITIONAL SOURCES

Energy-efficiency directive:
key points for consumers
Position paper
[BEUC-X-2021-078](#)

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

Renewable energy directive:
key points for consumers
Position paper
[BEUC-X-2021-079](#)

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

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

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

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

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

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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 would 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 June 2021, the EU and the US officially launched a new cooperation agenda following their bilateral summit. The first meeting of the Trade and Technology Council was held in September 2021 in the United States. The first meeting of the Joint Technology Competition Policy Dialogue is planned for December 2021.

Recommendations for the Presidency

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

What consumers need

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

- Deliver to consumers: consumer protection and consumer welfare are the overarching objectives of the cooperation. This is ensured by a dialogue on consumer protection led by DG Justice and Consumers on the EU side.
- Be fully transparent: so that the public is aware of what is being discussed on their behalf. Meetings documents must be public and the Commission must regularly inform civil society of the state of play.
- Involve civil society: a regular consultation must be organised for the whole cooperation agenda, as is being done for the trade and technology council (TTC) with the 'futurium'.
- Ensure access to affordable medicines for all. For instance, cooperation on Good Manufacturing Practices inspection with third countries must be reinforced.

- Be ambitious on sustainability: EU and US should cooperate on green financial products, electric cars, the right to repair and renovation of buildings.
- Strive towards a fair, safe and just digital society.
- 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. The co-conveners of these negotiations aim to achieve further results at the 12th WTO Ministerial Conference in December 2021.

Recommendations for the Presidency

We call on the French 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 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, 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 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 French 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](#)

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". However, 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 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, eleven 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.

Recommendations for the Presidency

We call on the French 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 first 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

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 unsustainable from the environmental, economic and social points of view. Of all household consumption activities, food has the greatest environmental impact. Our consumption of red and processed meat also exceeds recommended limits, while that of fruit, vegetables, pulses, nuts and wholegrains is insufficient.

A 2020 survey 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

The Farm to Fork Strategy published by the **European Commission** in May 2020 aims to shift EU food production and consumption onto a more sustainable path. The **Council** adopted conclusions on the Strategy in October 2020, while the **European Parliament** agreed its position in October 2021.

Recommendations for the Presidency

We urge the French Presidency to continue fostering Council discussions on the Farm to Fork Strategy, with a particular focus on consumer interests and removing barriers to sustainable eating for consumers.

What consumers need

- Food production must become more sustainable throughout 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.
- Food labelling must be improved so that consumers can make better-informed choices. 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.
- 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 to make 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.
 - The most sustainable food must also become the most affordable.
 - There must be greater coherence between the various EU policies (e.g. agriculture, health, environment, trade) that affect food. All forms of agricultural subsidies and the EU promotion policy for agricultural products should be better aligned with recommendations for healthy and sustainable diets. Likewise, the EU's trade policy should ensure (via "mirror clauses") that food imported into the EU complies with all relevant regulations and standards (e.g. on environmental protection and animal welfare).

ADDITIONAL SOURCES

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

Farm to Fork Strategy
BEUC position
[BEUC-X-2020-057](#)

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

Food marketing to children
BEUC report
[BEUC-X-2021-084](#)

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

EU promotion policy for agricultural products
BEUC response to public consultation on EU Commission roadmap
[BEUC-L-2021-051](#)

For more information: food@beuc.eu



HEALTH

1

A stronger EU response to public health emergencies

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. A stronger EU health policy is thus urgently needed to equip and prepare the Union to deal with future public health emergencies.

State of play

In September 2021, the **Commission** established the European Health Emergency preparedness and Response Authority (HERA), while proposing a Council Regulation on a framework of measures for ensuring the supply of crisis-relevant medical countermeasures in a public health emergency.

Recommendations for the Presidency

BEUC urges the French Presidency to seek rapid agreement on the proposed Council Regulation to ensure that the EU has in place a robust framework of emergency measures for the timely availability of medical products during public health emergencies.

What consumers need

- 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 availability and affordability. This must be one of HERA's main objectives. Consequently, the proposed Regulation for a framework of emergency measures must ensure that funding for the development and/or production of medical countermeasures goes hand in hand with requirements to share intellectual property and know-how.

ADDITIONAL SOURCES

The Health Emergency Preparedness and Response Authority (HERA):
a consumer perspective
Position paper
BEUC-X-2021-109

Making the most out of EU advance purchases of medicines
Position paper
BEUC-X-2021-110

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. To facilitate the sharing of such data across Europe, the European Commission aspires to establish a European Health Data Space. While this initiative rightly aims to promote public health research and innovation, it is nonetheless imperative that strong safeguards are established to guarantee personal data protection and ensure privacy, security and accuracy for consumers to benefit from digital health.

State of play

The **European Commission** is due to publish a legislative proposal for the European Health Data Space during the first half of 2022.

Recommendations for the Presidency

We encourage the French Presidency to seek rapid agreement on the proposal in Council and 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:

- include enforceable standards for health data anonymisation and pseudonymisation to ensure a high protection of patient and consumer personal data and privacy
- 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 so as to ensure compliance with data protection rules and other legal standards.

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 the economy's stability can be huge.

State of play

The **European Commission** published in June 2021 its proposal for a revised Directive on consumer credits (CCD). Negotiations on the proposal have started in Parliament and in Council under the Slovenian Presidency and will continue under the French Presidency.

Recommendations for the Presidency

BEUC welcomes that the 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 French Presidency to seek rapid agreement on the proposal in Council and 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.
- Alternative 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. A lower cap 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 the European Commission confirms its intention to foster the take-up of instant payments in the EU and lists 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. The European Commission is due to come forward with either a legislative or non-legislative initiative on Instant Payments in Q2 2021.

Recommendations for the Presidency

We urge the French 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.

If instant payments legislation is proposed, we urge the French Presidency to ensure it includes targeted interventions to promote the uptake of Instant Payments by businesses and consumers.

What consumers need

- 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.
- As reachability is an essential element, banks providing transfer services should also be required to provide instant payments services.
- 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 instrument must be guaranteed.

ADDITIONAL SOURCES

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

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

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 Directive on Distance Marketing of Financial Services (DMFSD) is currently under review and several policy options (e.g. updating the Directive, integration into the Consumer Rights Directive) are still under consideration. The **European Commission** is expected to present a legislative proposal during the French Presidency (Q1 2022).

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 following publication of the Commission proposal and to ensure a high level of comprehensive consumer protection.

What consumers need

The updated Directive must:

- ensure 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
- include more precise rules on information disclosure, simplify the procedure for consumers to use their right of withdrawal and ban all unsolicited sales, including pre-ticked boxes
- strengthen the enforcement powers and resources of national authorities and enhance coordination among relevant authorities
- clarify any inconsistencies and overlaps with horizontal and product specific legislation that give rise to legal uncertainty.

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 April 2021, the **European Commission** adopted a first Delegated Act with technical screening criteria on several economic activities for the purpose of establishing the European taxonomy, including forestry and bioenergy. This Delegated Act has been approved by the **European Parliament**. The European Commission is now expected to come forward with a second Delegated Act in December 2021, concerning the potential inclusion of nuclear energy and gas in the EU Taxonomy.

Recommendations for the Presidency

The inclusion of nuclear and gas into the EU Taxonomy rules would mislead consumers into making unsustainable investments. We call on the French Presidency, in the context of the scrutiny procedure to be followed, to reject any Delegated Act including gas or nuclear.

We urge the French Presidency to ensure that credible rules are adopted on the EU Taxonomy, that can truly support consumers in making effective decisions about the sustainability of their investments.

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 harmful taxonomy of economic activities that negatively impact 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 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, 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

Several initiatives related to the green transition were announced in the [European Commission's](#) 2020 Circular Economy Action Plan and its Consumer Agenda. They include "Empowering the consumer for the green transition" and "Substantiating green claims" due in spring 2022 and a proposal for "Right to Repair", which is due in the third quarter of 2022.

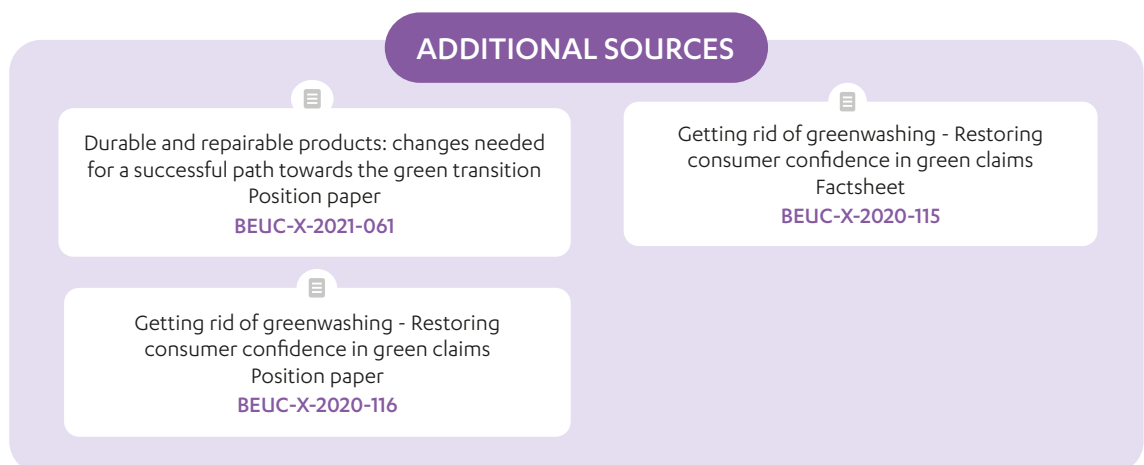
Recommendations for the Presidency

BEUC urges the French 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 start Council negotiations on these proposals once the Commission presents them and to give them the high priority they deserve.

What consumers need

- Clearer and standardised information about the length of guarantees covering their products. A new "guaranteed lifespan" label should be introduced that would combine information both about the legal guarantees (to be always displayed as a minimum) and the commercial guarantees.
- Clear, comparable and credible information about the environmental characteristics of products, such as their lifetimes, repairability, availability of spare parts and software updates.

- Stronger legal guarantees to protect them against early obsolescence of products. Such a framework could be introduced via the upcoming legislative proposal on the right to repair, foreseen for the third quarter 2022 which should provide for longer legal guarantees for some types of durable products with their periods defined in the Ecodesign implementing measures. Direct producer liability and further expansion of the reversal of the burden of proof should also be part of the legislative instrument.
- Information on product reparability in a harmonised format (repair index) to enable easier product comparisons and to create positive market advantage for products which are more repairable.
- Protection against unfair commercial practices causing the premature obsolescence of consumer goods, which should be tackled in the upcoming legislative proposal by explicit bans of certain practices e.g. not fixing a structural defect that leads to products failing early, within a reasonable time after it became known, and continuing to sell that product.
- Protection from the proliferation of misleading green claims on the market by introducing a pre-approval scheme for all green claims and labels (see 'Substantiating green claims' section), inspired by the one already in place for the health and nutritional claims of food (Regulation 1924/2006). Moreover, some types of green claims (e.g. "carbon neutral") should be explicitly prohibited.



2

Revision of the Air Passenger Rights Regulation

Why it matters to consumers

Even before the COVID-19 pandemic, problems with airlines were widespread. Unclear and incomplete information from airlines – including on the right to a monetary reimbursement or compensation – has caused a great deal of consumer frustration. Passengers are too often struggling to enforce their rights. The recent COVID-19 crisis has only further underlined these shortcomings, with many airlines refusing to respect consumer rights.

State of play

The **European Parliament**'s position adopted in February 2014 considerably improved the Commission's 2013 proposal to update the current Air Passenger Rights Regulation (261/2004) in many respects. However, negotiations in the Council of Ministers soon became deadlocked.

Recommendations for the Presidency

The COVID-19 crisis has further demonstrated the importance for European consumers to be able to rely on strong, clear and enforceable passenger rights. We therefore urge the French Presidency to resume discussions on updating the Air Passenger Rights Regulation, with a focus on improving the protection and the enforcement of such rights. We urge the Presidency to reject any attempt to allow airlines any derogations from the Air Passenger Rights Regulation during crisis periods.

What consumers need

- A greater focus on enforcement: innovative schemes should be considered to strengthen the enforcement of the Regulation. These could include automatic reimbursement and compensation schemes and mandatory participation in Alternative Dispute Resolution (ADR) bodies with binding decisions.
- Existing rules on compensation in the event of cancellation must be maintained. Airlines should compensate passengers when arrivals are delayed by more than three hours, in line with the case law of the EU Court of Justice.
- Clearer definition of what constitutes an extraordinary circumstance that allows airlines to derogate from their obligations: staff strikes should never be considered as 'extraordinary circumstances' and nor should the majority of 'technical problems', particularly related to aircraft maintenance.
- Re-routing should be granted as soon as possible and must involve alternative carriers or means of transport, if necessary. The right to re-routing should also be granted to passengers subjected to long delays.
- The revised Regulation must introduce a mandatory insolvency protection scheme, as indicated by the European Parliament position and considered by the Sustainable and Smart Mobility Strategy. This need was further highlighted during the COVID-19 crisis. Such a 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. There must be no additional derogations compared to the current Regulation (e.g. suspension of the right to monetary reimbursement, imposition of vouchers, or a longer time frame before proceeding to cash reimbursement).
- Consumers should benefit from the right to cancel their flights at no cost because of unavoidable and extraordinary circumstances, as exists under article 12(2) of the Package Travel Directive.
- 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 new Regulation must include an outright ban on 'no-show clauses', i.e. when a passenger who has not taken or missed the outbound leg is denied boarding on a connecting or return flight.

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
[BEUC X-2020-015](#)

European consumer and passenger rights
in the COVID-19 crisis
Letter
[BEUC X-2020-017](#)

Travellers' rights during the COVID-19 crisis
Position paper
[BEUC-X-2020-030](#)

For more information: consumer-rights@beuc.eu



COMPETITION AND DIGITAL GATEKEEPER REGULATION

1

Digital Markets Act

Why it matters to consumers

Digital players, including the big platforms, have brought consumers many benefits. However, 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 such risks. If designed properly, the proposed Digital Markets Act (DMA) can ensure that the online world better serves the interests of Europe's consumers in the future.

State of play

In December 2020, the **European Commission** proposed a Digital Markets Act to specifically address the problems created by gatekeeping platforms. The **European Parliament** and the **Council** are expected to adopt their respective positions by end of 2021.

Recommendations for the Presidency

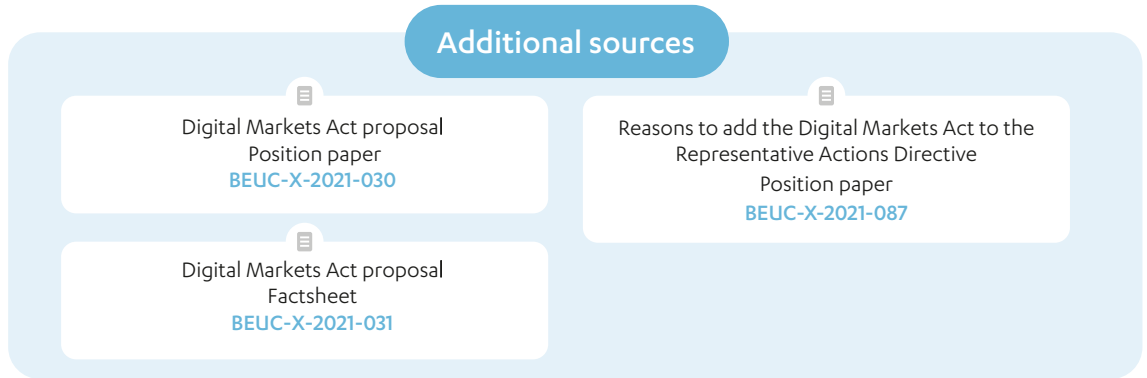
BEUC urges the French Presidency to support an ambitious approach to the DMA so that digital markets become fairer and more contestable. We encourage the Presidency to find a consensus during trilogue negotiations which addresses calls from consumer organisations to better reflect the needs of consumers in digital markets.

What consumers need

To ensure that the final DMA optimally serves consumers, several key areas in the proposal must be strengthened by the Parliament and Council, including:

- maintaining the self-enforcing nature of the gatekeepers' obligations and avoiding the introduction of any new measures or procedural steps allowing the gatekeepers to delay or undermine compliance (e.g. through efficiency defences, case by case assessment of obligations for specific gatekeepers).
- 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' (behavioural techniques and interface design) which prevent consumers from exercising the rights recognised in the DMA.

- a more effective system of enforcement, including:
 - acknowledging rights of third parties, including consumer organisations, to participate in the proceedings before the European Commission.
 - adding the DMA to the annex of the Representative Actions Directive to allow private enforcement by consumer organisations before national courts.



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Additional sources

- Digital Markets Act proposal
Position paper
[BEUC-X-2021-030](#)
- Reasons to add the Digital Markets Act to the
Representative Actions Directive
Position paper
[BEUC-X-2021-087](#)
- Digital Markets Act proposal
Factsheet
[BEUC-X-2021-031](#)



DIGITAL RIGHTS

1

Digital Services Act

Why it matters to consumers

The platform economy presents numerous benefits for consumers but also brings major challenges. There are countless problematic products sold online, ranging from dangerous chargers and dysfunctional children's car seats to illegal cosmetics and unsafe toys. The proposed Digital Services Act (DSA) offers an opportunity to maximise the benefits of the online economy, but it must address some of the increasingly serious problems that accompany these platforms.

State of play

The **European Commission** proposed the Digital Services Act (DSA) in December 2020 to upgrade the EU's legal framework for digital services. In March 2021, the European Council called for its swift adoption and underlined the importance of "strictly implementing and enforcing Single Market rules". The Council of Ministers reached a general approach at the end of November 2021. The **European Parliament** is expected to adopt its first reading position in January 2022.

Recommendations for the Presidency

The French Presidency will play a fundamental role in driving forward the trilogue negotiations to reach an agreement. BEUC urges the French Presidency to seek a consensus and to focus particularly on improving safety and consumer protection, enhancing the liability of marketplaces and the obligations of all relevant platforms, and ensuring swifter and more efficient redress and enforcement.

What consumers need

- Consumer protection and online safety must feature prominently as guiding objectives.
- Strong and enforceable obligations for all platforms, including:
 - an obligation on marketplaces to verify traders and to conduct random checks on the services and products they offer, while allowing for consumer anonymity
 - meaningful transparency and information requirements
 - strict rules on recommended systems and digital advertising, including a ban on surveillance-based targeted advertising.

- A special liability regime for online marketplaces, ensuring that such platforms are:
 - liable to consumers if they do not comply with their due diligence obligations
 - liable for damages if they fail to quickly stop illegal activities once they have credible evidence of wrongdoing.
 - jointly and severally liable with traders for damages, contract performance or guarantee issues when they:
 - have a predominant influence over the supplier or the transaction
 - fail to take reasonable steps regarding known misleading information, guarantees or statements provided by traders
 - Fail to give information about the supplier of the goods or services
- A solid and effective oversight and enforcement mechanism to effectively tackle cross-border infringements, including mechanisms to prevent any shortcomings arising from application of the ‘country of origin’ principle to allocate enforcement competences.
- Effective complaint procedures and civil law remedies for consumers in case platforms fail to comply with their obligations.

ADDITIONAL SOURCES

The Digital Services Act proposal
BEUC position paper
BEUC-X-2021-032

Making the Digital Services Act work
for consumers:
BEUC’s recommendations
Position paper
BEUC-X-2020-031

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

2

Artificial intelligence

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 both Council and Parliament.

Recommendations for the Presidency

The Commission proposal does not give consumers the rights and protections they need. We therefore urge the French Presidency to give a high priority to Council negotiations on the proposal and to making sure that it 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

- 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 impose basic principles and obligations, 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/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](#)

3

Cybersecurity

Why it matters to consumers

Ensuring cybersecurity is one of the most fundamental challenges we face in the digital age, as 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 digitisation 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. Had such threats materialised, hospitals would have become paralysed and the impact on society would have been devastating.

State of play

In December 2020, the **European Commission** presented a proposal to update the Network and Information Systems (NIS) Directive so as to establish a high common level of cybersecurity across the EU. Trilogue negotiations are expected to start in January 2022. The Commission has also announced a new horizontal cybersecurity law (European Cyber Resilience Act), expected in the third quarter of 2022.

Recommendations for the Presidency

We urge the French Presidency to support an ambitious set of policies and legislative initiatives regarding cybersecurity. As regards the NIS amendment, we urge the French Presidency to ensure that the final agreement broadens the Directive's scope and provides mechanisms to guarantee consistent application of the rules across the EU. As for the cybersecurity of the Internet of Things, the French Presidency should provide political support for the upcoming horizontal cybersecurity law to establish mandatory minimum security requirements for all connected product.

What consumers need

For the review of the NIS Directive:

- The scope of the updated NIS Directive should be expanded to cover all web-based services (e.g. apps and websites) available to consumers.
- If an incident has a significant impact on the provision of a service, or if there is a significant cybersecurity threat to a service, the default rule should be that affected users or potentially affected users 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 by essential or important entities with the Directive's rules.

For a horizontal cybersecurity law:

- The law should establish mandatory minimum security requirements that are applicable to all consumer products and their associated services, including:
 - Security by design and provision of security updates
 - Strong authentication requirements
 - Encryption requirements.
- 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)

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](#)

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

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. 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 Presidency.

Recommendations for the Presidency

We urge the French 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.
- Specific provisions to protect the privacy of children should be introduced.

ADDITIONAL SOURCES

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](#)

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



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

The EU Regulation on Consumer Protection Cooperation (CPC), dating from 2017, tries to fill in the gap by establishing close cooperation among national authorities in tackling widespread and cross-border infringements in the EU. However, as national enforcement systems are very different, EU-wide enforcement measures have proven difficult in practice.

Recommendations for the Presidency

BEUC calls on the French Presidency to kick off a discussion in Council 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 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.
- Finally, solutions must be found to ensure that traders from non-EU countries do not get away with breaking EU consumer law.

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 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. 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. 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 French Presidency to support discussion between Member States and exchange of best practices on how to ensure the best transposition of the Directive and also to discuss adequate financing for representative actions.

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.

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 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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