# Von der Leyen Commission Mid-term review

Consumer track record





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#### Introduction

When Ursula von der Leyen took over the reins of the European Commission in 2019, she built her tenure on six pillars. Two of them are central to give consumers the right environment to live well and healthily: "a European Green Deal" and "a Europe fit for the digital age".

Since then, the Commission has indeed laid the foundations of this 'twin transition'. It published its flagship Green Deal just a month after it was officially sworn in and rapidly followed on with a wave of digital proposals, such as the Digital Services Act, the Digital Markets Act, and the Artificial Intelligence Act. But these major projects should not overshadow the massive work also undertaken in other consumer-relevant areas, such as financial services, food and safety.

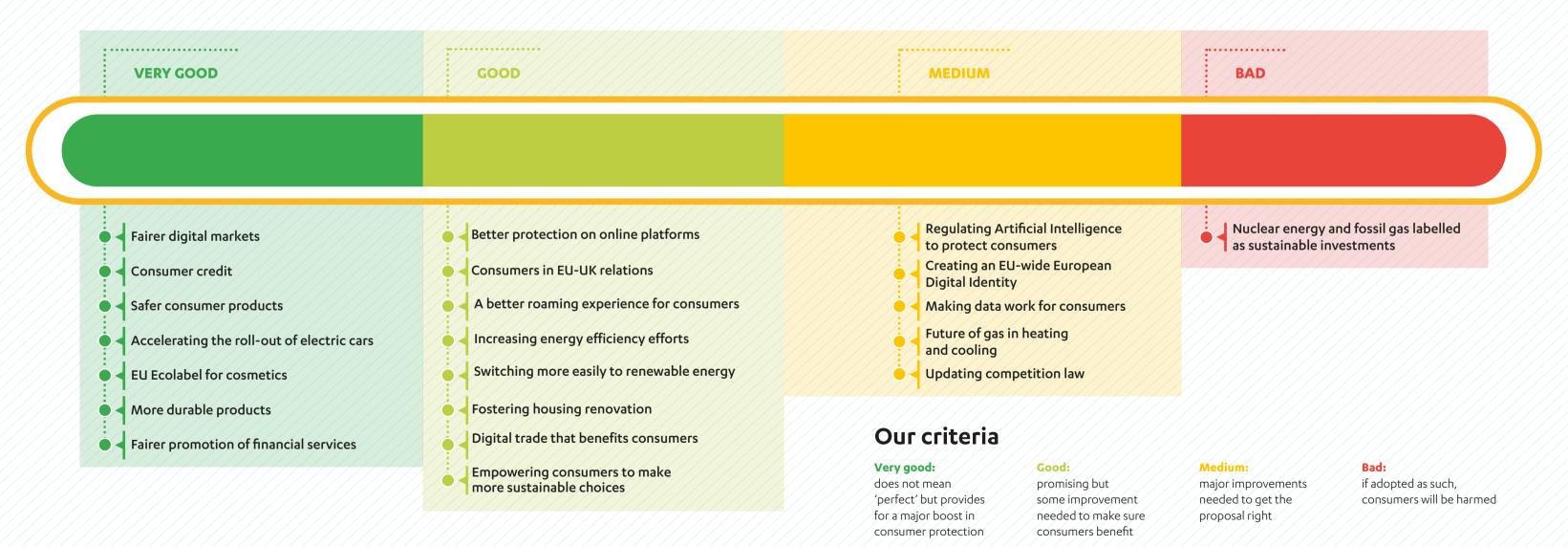
Halfway through the von der Leyen Commission's five-year term, we examine whether actions to date have been up to expectations from the consumer perspective. Our overall assessment is that this Commission's performance is good so far, with many positive actions and only a few issues requiring urgent fixing.

The period has obviously been marked by unprecedented events in Europe. First, a pandemic, then spiralling energy prices, and now a war at our borders. For this reason, we have dedicated a section on how the Commission has reacted to the unforeseen.

This is no time for the Commission to rest on its laurels. In the second half of its mandate, the Commission will still need to be the busy beehive it has been so far, and it is crucial that its ambitions remain high. That is why we have also put forward proposals that we hope the Commission will focus on during the remainder of its term.

Last but not least, it is worth noting that in the EU decision-making process it takes three to tango. Because the European Parliament and Council also have their say, a good Commission proposal does not guarantee good outcomes. We count on the Commission to be assertive when negotiating with the other two institutions so the final pieces of legislation enhance benefits for consumers.

# How the Commission has fared so far



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#### NOTE: each category's items are listed by chronological order

#### Fairer digital markets



In December 2020, the Commission unveiled its proposal for the **Digital Markets Act** (DMA). It aims to create contestable digital markets and to ensure that Big Tech companies behave in a fair way. The DMA seeks to impose upfront obligations and prohibitions on large "gatekeeping" digital companies. This approach is very welcome as it is all about being 'better safe than sorry': it should prevent harms arising in the first place rather than having to correct them years later under EU competition law. The proposal could have been more ambitious on consumer rights but these have nevertheless been strengthened by amendments from the European Parliament and the Council. The final text has been much improved from the consumer's perspective. The DMA should be very beneficial to consumers in digital markets - if it is effectively enforced.

#### Consumer credit



In June 2021, the European Commission proposed a revised **Consumer Credit Directive** which takes on board many of BEUC's recommendations such as including in the Directive's scope credits below €200 and those free of interest and strengthening the creditworthiness assessment. Unfortunately, the proposal also foresees many exceptions which could lead to banks circumventing the new rules (e.g., granting credit under certain circumstances when the creditworthiness assessment is negative, tying products for saving accounts and payment protection insurance).

#### Safer consumer products



In June 2021, the European Commission proposed a **General Product Safety Regulation** which takes into account many of BEUC's suggestions such as improving traceability and accountability along the supply chain and giving better tools to market surveillance authorities to carry out their work. We hope policy makers can still fix the lack of ambition with regard to regulating unsafe products on online marketplaces.

# Accelerating the roll-out of electric cars



In July 2021, as part of its 'Fit for 55 package', the European Commission proposed two important pieces of legislation in line with BEUC's demands. With its **new car CO<sub>2</sub> emissions targets**, the Commission proposed to end the sales of new diesel and petrol cars by 2035. With its proposed Regulation on **recharging infrastructure (AFIR)**, the Commission aims to ensure the availability of more recharging points for electric cars which should be convenient for users. While we hope both proposals will be improved during the process of adoption by the European Parliament and the Council, they nonetheless constitute a turning point for our mobility system.

#### **EU** Ecolabel for cosmetics



In October 2021, **the Commission extended the label to all cosmetics** and raised the ambition level of the standard. This makes the EU Ecolabel an even better guide for consumers interested in making better choices for the planet and their health. Any cosmetic displaying the EU Ecolabel must be free of many problematic substances, such as endocrine disrupting chemicals and microplastics. Ingredients must be more biodegradable and less toxic for aquatic life. Finally, the revised Ecolabel promotes less and better packaging use.

#### More durable products



In its **Sustainable Product Initiative** published in March 2022, the Commission proposed to introduce new sustainability by design for almost all products with only a few exceptions like food and medicine. The proposal to replace the current Ecodesign Directive will cover more aspects than just energy efficiency. The proposal therefore includes requirements on durability, repairability, upgradeability and the presence of hazardous substances to make sure consumers can benefit from products that are more sustainable and designed to last. This high ambition now needs to be translated into many product-specific measures. For this to happen quickly, the Commission will need to allocate sufficient resources and national market surveillance authorities will need to be well equipped to enforce the new rules.

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### Fairer promotion of financial services



The Commission's proposal of May 2022 integrating the **Distance Marketing of Financial Services Directive** into the Consumer Rights Directive would update and upgrade the rules applicable to the advertising and promotion of financial services. In particular, BEUC welcomes the proposed new ban on the use of 'dark patterns' i.e. designing online interfaces in such a way that it impairs consumers' ability to make a free choice; the right to speak to a human being in a world increasingly dominated by online contact forms and chat bots and where decisions about consumers' investments are often made by Artificial Intelligence. Finally, we welcomed the proposed obligation to make key information (e.g. the total cost of the product) more visible to ensure consumers are aware of any potential risks.

#### Better protection on online platforms



In December 2020, the European Commission proposed the **Digital Services Act** (DSA). The proposal included rules for online intermediary services, and among other things, aimed to better protect consumers and their fundamental rights online. Once definitively adopted, it will strengthen legal obligations for online platforms and introduce measures to increase the transparency of online advertising and recommender systems. The proposal was a step in the right direction. However, the Commission missed the opportunity to strengthen the liability regime for online marketplaces. An interinstitutional agreement was reached in April 2022. The overall outcome is positive and reinforces the Union's leadership towards the creation of a healthier digital environment, even though the European Parliament and the Council failed to go the full mile to address important consumer protection problems such as the sale of unsafe products on online marketplaces and online surveillance advertising.

#### Consumers in EU-UK relations



Following the Brexit referendum, the December 2020 **EU-UK trade and cooperation agreement** negotiated by the Commission on behalf of the EU ticks many boxes. It ensures no quotas and tariffs, while the EU and UK also commit to having minimum rules in place to protect consumers when they buy online. The Commission is also making good progress in terms of involving civil society in the agreement's implementation. BEUC recommends it builds on this progress, by setting up formal cooperation between EU and UK enforcement authorities or agreeing to cut mobile roaming costs. Tracking EU-UK legislative divergence would also be helpful, as civil society lacks capacity to do this.

#### A better roaming experience for consumers



In February 2021, the European Commission proposed a new **Roaming Regulation** to ensure EU travellers continue to enjoy roaming without additional charges when travelling in the Union. The Commission proposal provided for improvements regarding the quality of service when roaming and to protect consumers from inadvertent connections to non-EU networks. Unfortunately, the Commission missed the opportunity to propose phasing out fair use policies and removing surcharges on intra-EU calls and messages. Following the interinstitutional agreement reached in December 2021, the new roaming rules will apply as of 1 July 2022.

# Increasing energy efficiency efforts



With its proposed revision of the **Energy Efficiency Directive** (EED) in July 2021, the European Commission has put forward a more ambitious binding annual target for reducing energy use and would require Member States to roll out further energy efficiency improvements. While the EED includes much-needed measures to better protect consumers on district heating markets, it needs an extra boost to guarantee that energy efficiency schemes target especially consumers in, or at risk of, energy poverty.

# Switching more easily to renewable energy



The Commission's proposed revision of the **Renewable Energy Directive** in July 2021 should help households to install for instance solar panels or heat pumps at home - if correctly implemented. However, the proposal still needs to be strengthened, for instance by increasing the numbers of accredited professionals who can install renewable energy appliances or by ensuring that fossil fuel technologies, such as gas in cogeneration, will never be supported.

# Fostering housing renovation



The Commission's proposal to revise the **Energy Performance of Buildings Directive** (EPBD) in December 2021 should support Europe's effort to decarbonise its buildings by 2050. While the Commission's proposal includes several good measures (such as the introduction of the Minimum Energy Performance Standards) which would increase renovation rates, further improvements are needed so that consumers, including those on low incomes, have access to the right tools and suitable financing schemes.

# Digital trade that benefits consumers



In 2021, the EU and over 80 members of the World Trade Organization agreed to add a **consumer protection article to a future trade deal on e-commerce**. This will not create new rights but define various protections that countries should have in place, such as easy access to redress. This very positive development should also be reflected in the EU's ongoing trade negotiations with countries such as Australia and New Zealand. BEUC's support for a final trade agreement will depend on its outcome in terms of sensitive topics such as data protection and artificial intelligence. This deal, which would prevail over EU law, should under no circumstance limit how the EU regulates these areas. We urge the European Commission to stick to these principles as negotiations continue.

#### Empowering consumers to make more sustainable choices



In its proposal for **empowering consumers in the green transition**, published on 30 March 2022, the Commission included new obligations for traders to better inform consumers about the durability and repairability of goods. This much-needed proposal can help fill the information gap and help consumers make more environmentally conscious purchasing decisions. It should be combined with an introduction of mandatory EU labels (repair index and a 'guaranteed lifespan' label) to harmonise the way this information is provided to consumers. To tackle greenwashing – which consumers are confronted with every day – the Commission should not only strengthen the horizontal provisions of the Unfair Commercial Practices Directive but also, in its upcoming Green Claims Initiative set up a pre-approval scheme for green claims and labels, inspired by the existing framework for health and nutrition claims on food products.

#### Regulating Artificial Intelligence to protect consumers



Artificial Intelligence comes with big expectations of improving and making consumers' lives more convenient, but also with great risks. All has major implications for consumers' autonomy and self-determination, their privacy, their capacity to interact with products and services and, ultimately, for the ability to hold businesses relying on Al responsible if something goes wrong. The Commission's proposal for an **Al Act** – published in April 2021 – puts Europe at the forefront of introducing a horizontal legal framework for Al, aiming to create the conditions for the development and use of trustworthy Al systems. However, decision makers will have to improve the text to ensure the Al Act guarantees consumers have the protection they need and can trust Al to respect their rights and freedoms.

#### Creating an EU-wide European Digital Identity



The COVID-19 pandemic has shown how much Europe needs an interoperable system for digital identification of individuals and cross-border recognition of attributes such as health certificates or school diplomas. The Commission's June 2021 proposal to develop the existing national **eID system** into a cross-border framework is commendable. But important improvements are necessary. A system of this scale and complexity unavoidably raises concerns over digital exclusion, risks to vulnerable consumers and requires safeguards for user privacy and security, to create the trust necessary to ensure a broad uptake.

### Making data work for consumers



In Europe's increasingly digitalised economy, determining who has access to data, including consumers' personal information, and how it can be used, are key for achieving a healthy and competitive digital economy that benefits consumers. With its Data Strategy and initiatives like the **Data Governance Act, the Data Act and the proposal on the European Health Data Spaces**, the European Commission has taken steps to unlock access to data whilst seeking to respect the GDPR and ensure that consumers keep control of their data. However, it is important that ongoing discussions bring additional safeguards to ensure consumers do not end up in an even weaker position towards companies and that the new rules bring greater consumer choice and control, as well as innovation in the public interest.

## Future of gas in heating and cooling



With its **gas package**, released in December 2021, the Commission gave consumers mixed signals on the future of heating. On the one hand, the Commission has rightly proposed to strengthen their rights on gas markets, mirroring those already existing on electricity markets. On the other hand, the current proposal leaves the door open for hydrogen blending in gas grids, which would be a very expensive and inefficient heating option for consumers. This could mean that consumers end up paying the development of hydrogen networks through their gas bills, which would be unacceptable.

## Updating competition law



The Commission has been reviewing its **Vertical and Horizontal Block Exemptions, Guidelines and Notices** on various aspects of competition law. BEUC welcomes these various initiatives, in particular the review of sustainability agreements in the Horizontal Guidelines and the Market Definition Notice which are important to update competition law especially in relation to the digitalisation of markets and sustainability concerns. These reviews have yet to be finalised so that the outcomes are still open.

# Nuclear energy and fossil gas labelled as sustainable investments



The Commission created the **Taxonomy** to allow all market participants - including consumers - to know how sustainable a financial product truly is. Yet its proposal to declare nuclear energy production and fossil gas as sustainable activities under the Taxonomy, the European Commission has actively undermined this effort. Consumers will be mis-sold products that don't have the sustainable properties which were advertised to them. This politically motivated decision to greenwash gas and nuclear in the Taxonomy will harm consumer trust in sustainable finance, inflict financial harm on them, endanger financial stability and harm the environment and climate.

# Performance of the Commission's horizontal packages and strategies

#### Consumer Agenda



In November 2020, the Commission published its **Consumer Agenda** as a strategic document outlining the key actions it will take to protect and empower consumers across the main EU policies. The strategy has so far largely delivered its objectives, with a few exceptions. For example, artificial intelligence was announced as a key action in the consumer strategy. However, the proposal for the respective piece of legislation falls short of consumer protection, with the word "consumer" missing from the text.

# European Green Deal



Unveiled in December 2019, the Commission's **Green Deal** aims to bring the EU on track to meet its climate and environmental targets for the coming decades. For the first time, climate and sustainability policies have been defined as collective objectives which need to be mainstreamed across policy areas. The Green Deal aims to bring systemic changes in many sectors, from mobility, agriculture and food to renewable energy and more sustainable products. The European Green Deal is currently being implemented by means of specific proposals. While the strategy is very promising, its impact on consumers will depend on how its objectives are translated into these proposals and how they are shaped by negotiations between the European Parliament and the Council of Ministers.

#### Greener and healthier food for consumers



Published in May 2020, the **Farm to Fork Strategy** is about shifting EU food production and consumption onto a more sustainable path. A major component of the Green Deal, the Strategy comes together with an Action Plan listing 27 measures which pave the way for greener food production, healthier and more sustainable diets, and less food waste. While the Strategy looks ambitious on paper, its concrete impact for consumers will depend on its implementation.

#### Towards toxic-free lives



In October 2020, the Commission published its **Chemicals Strategy for Sustainability**, outlining a new long-term vision for EU chemicals policy. In line with the European Green Deal, the Strategy strives for a toxic-free environment, where chemicals are produced and used in a way that maximises their contribution to society, while avoiding harm to the planet and to current and future generations. While the Chemicals Strategy thus promises to eliminate toxic chemicals from consumers' lives, its detailed implementation still lies ahead. It is imperative that the Commission acts swiftly and with ambition to ensure that the Strategy delivers the necessary changes for consumers on the ground.

# More cooperation between EU and US regulators



The creation of new regulatory dialogues can improve decision-making about health, environmental and digital policies on both sides of the Atlantic. BEUC welcomes Commissioner Reynders' launch of a **dialogue on consumer protection**. However, we see a proliferation of new dialogues – from 'trade and tech' to agriculture, and competition – without clarity on how these will be consistent with one another. Different dialogues should not lead to divergent outcomes on similar issues. At this critical 'set up' moment, BEUC therefore encourages the Commission to explore creating a joint platform with the US across all dialogues for civil society engagement.

# Ensuring access to affordable medicines



In November 2020, the European Commission unveiled an ambitious **Pharmaceutical Strategy** to improve access to medicines across Europe. The Strategy brings momentum to effectively address medicine shortages and high prices, an issue that BEUC member organisations have been denouncing for a long time. Whilst the Commission has started implementing the action points outlined in the Strategy, it remains to be seen if it will meet consumers' needs and expectations in practice.

#### **Better Regulation**



In recent years, the European Commission's **Better Regulation Agenda** has improved the transparency of the decision-making process. Regrettably, however, the Agenda's main focus still seems to be simplifying and reducing the regulatory burden rather than actually improving regulation. Even worse, the 2021 Communication on Better Regulation commits to the highly problematic "One in One out" principle. It aims to "offset new burdens from new regulation by equivalently reducing existing burdens in the same policy area". BEUC strongly disapproves of this principle. Legislation, and the need for it, should be based on its own merits and objectives, and not depend on a trade-off with other pieces of legislation. Such a principle threatens well-established legislation and protection. While its real impact still remains to be seen, we will closely monitor the consequences of this new element.

# How the Commission has responded to the unforeseen

## Reacting to the energy price spikes



With its energy prices 'toolbox' released last Autumn and the more recent 'REPowerEU' Communication in early March 2022 amidst the Russian invasion of Ukraine, the Commission took stock of the urgency to address the impact of increasing energy prices for consumers. The Commission rightly insisted on possible short term-measures to shield consumers against excessively high electricity and gas prices and pointed out the need to accelerate our energy efficiency and renewable energy deployment efforts as a long-term solution to the crisis. In May, the Commission launched its REPowerEU package. It aims to accelerate the energy transition and cut Europe free from Russian fossil fuels, through energy savings and increased deployment of renewables. It will also accelerate the roll-out of renewable energy to replace fossil fuels in homes as the Commission hinted at banning the sale of gas boilers from 2029 on.

# Upholding travellers rights during the COVID-19 crisis



During the pandemic, the Commission took a firm stance to defend travellers' rights by repeatedly stating that they remained fully applicable, even in times of crisis. In March 2020, the Commission published guidelines clarifying the application of passenger rights during the pandemic. In May 2020, the Commission published its welcomed **European recommendation on vouchers**, calling on Member States to maintain the right to reimbursement for travel cancelled due to COVID-19. The Commission also proposed criteria for offering attractive *voluntary* vouchers to consumers. In addition, in July 2020, the European Commission launched infringement proceedings against ten EU member states that had introduced temporary national rules in direct violation of the Package Travel Directive and the EU Passenger Rights Regulations. Overall, BEUC strongly supported the European Commission's position during the pandemic encouraging Member States to work on national solutions to support the travel and tourism industry, while respecting the rights of European consumers.

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#### Better consumer protection in health crises



In March 2021, the EU started to apply a new Regulation proposed amid the COVID-19 pandemic to **reinforce the role of the European Medicines Agency**. Thanks to this Regulation, the EMA will be able to better coordinate EU Member States' efforts to prevent and manage shortages of medicines and medical devices during a crisis. In addition, in September 2021 the Commission launched the European Health Emergency Preparedness and Response Authority (HERA). To deliver a good return on investment, HERA must ensure that public funding for the development of new medicines and medical equipment is conditional on products being affordable and widely available.

# What remains to be done during the mandate's second half

Up to now, the European Commission has done a good job from the consumer perspective. However, it should not rest on its laurels. An ambitious list of initiatives needs to be kicked off for the remainder of the term to ensure consumers are better off on many fronts.

While the list below is not a ranking but rather a listing, there is one aspect in dire need to be singled out: **making sure EU rules are properly rolled out and enforced**. Enforcement is the Achilles' Heel of the EU's regulatory framework in many areas. To make a difference in consumers' lives laws must not only look good on paper but must also be applied on the ground. It should be carefully considered that all new legislative proposals, as well as existing ones, must give careful consideration to enforcement.

How? By setting down strong enforcement models, by assessing the role to be played by the Consumer Protection Cooperation Regulation (CPC) – and where needed upgrading its rules – as well as other enforcement agencies and networks (e.g. European Supervisory Authorities, Council of European Energy Regulators). Strengthening collaboration between enforcement networks when it comes to combat cross-sectoral infringements should also be foreseen.

A European enforcement architecture that avoids fragmentation, ensures equal protection of people across all countries and increases impact of legislation is necessary in areas such as personal data protection, competition, customs, product safety, passenger protection, financial services, energy...

Finally, as the European Commission is increasingly taking over enforcement tasks, just like national authorities, they need to have the adequate resources and expertise to pursue this task.



#### Banning commissions in financial advice

<u>HOW?</u> By introducing in EU law a **ban on commissions for all retail investment products and complex financial products**. All financial advice must be independent and exclusively focussed on the consumer's interest.

WHY? As we showed in our campaign "The Price of Bad Advice", low quality of financial advice - especially when it comes to investing savings – has led to considerable financial losses for consumers. It has been widely documented that products are recommended to clients not based on their merits, but on their ability to generate the highest commission for the adviser. This is particularly worrying as people are increasingly expected to cater for their own retirement in future.

#### Ensure consumer protection in instant payments

<u>HOW?</u> By proposing **legislation to protect consumers in new transaction models** such as instant payments to prevent fraud and involuntary mistakes.

WHY? Some banks now offer instant payment, a transfer whereby the beneficiary receives the funds in less than five seconds. This new form of transfer is extremely useful for consumers because it shares a characteristic of cash: the money is available immediately and the payment is concluded. However, the immediacy of the transaction also presents risks since consumers could be exposed to fraud and to involuntary mistakes, e.g. the use of wrong payment information.



#### • Improving access to affordable medicines

**HOW?** Through a revision of the EU's **general pharmaceutical legislation**, expected end of 2022.

<u>WHY?</u> Consumer research demonstrates that many consumers cannot get the medicines they need because too often they are not available in pharmacies or have a too high price.



#### Holding online marketplaces liable for the safety of products they sell

**HOW?** By defining online marketplaces as 'economic operators' in key EU legislation

WHY? Without such a provision, important loopholes will continue to exist and make the enforcement of product safety legislation an impossible task in the context of a global platform economy. Consumers will continue to be exposed to numerous dangerous products and fair competition in the Single Market will suffer. It is also crucial to include products from third-party sellers.

# • Prohibiting the most harmful chemicals in consumer products

**HOW?** By introducing an automatic ban on the most harmful chemicals such as endocrine disruptors in consumer products through the proposal to revise the EU's flagship chemicals legislation, **REACH**, expected at the end of 2022.

WHY? Chronic and severe diseases such as cancer, cardiovascular diseases, fertility problems, obesity and allergies are on the rise in the EU. Chemicals are believed to play a causal role in this trend. But most chemicals can still be used in consumer products with little actual control. Introducing an automatic ban will help to ensure that consumers, vulnerable groups, and the natural environment are more consistently protected against harmful chemicals.

#### • Packaging food safely

**HOW?** When presenting its proposal to revise **EU food packaging legislation** in Summer 2023, the Commission must outline a new, future proof and enforceable approach that fully protects consumers against harmful chemicals.

WHY? Chemicals present in packaging can leach into our food, thereby putting consumers' health at risk. Existing EU legislation – meant to safeguard consumers against such risks – provides insufficient protection. An overhaul of the EU food packaging laws is therefore urgent.

#### Eliminating endocrine disruptors from cosmetics

<u>How?</u> The Commission must extend the current automatic ban on cancer-causing chemicals to endocrine disruptors through its proposal to revise **EU cosmetics legislation**, expected by end of 2022.

WHY? Cosmetics ingredients represent a significant, potential source of cumulative consumer exposure to endocrine disruptors, including for vulnerable groups, such as pregnant and breastfeeding women, children and people with compromised immune responses. As such, it is imperative that ingredients which may represent a risk to consumer health are systematically identified and their use in cosmetic products prohibited without delay.

#### • Better protecting children from unsafe toys

HOW? As part of the revision of the **Toy Safety Directive**, the Commission's proposal that is due by the end of 2022 should aim at reducing children's exposure to hazardous chemicals. It should also further strengthen the work of market surveillance authorities, as well as address the challenges posed by online sales of dangerous toys and the risks posed by toys incorporating new technologies.

WHY? Just like the statistics from the EU Safety Gate, product testing by consumer organisations demonstrate that toys are an area of significant concern. As particularly vulnerable consumers, children must enjoy the highest possible level of protection.



#### Food

#### Making the healthy food choice easy for consumers

HOW? In its proposal to revise the **Food Information to Consumers Regulation** expected by the end of 2022, the Commission should introduce Nutri-Score as the mandatory EU-wide front-of-pack nutritional label. It should also establish strict nutrient profiles to restrict nutrition and health claims on food high in fats, sugar and/or salt.

<u>WHY?</u> One in two EU adults is overweight or obese. Consumers make their purchase decisions in a matter of seconds. Food labels must therefore make it easy for them to quickly identify the healthier option.

#### Giving consumers a hand to make better informed food choices

**HOW?** In its proposal to revise the **Food Information to Consumers Regulation** expected by the end of 2022, the Commission should expand mandatory origin labelling requirements, notably to milk and to meat and milk used as ingredients in processed foods. It should also require the compulsory labelling of the nutritional declaration and list of ingredients on the bottles of alcoholic beverages.

<u>WHY?</u> Current EU labelling rules fall short of consumers' expectations for more transparency on food origin. Regarding alcoholic drinks, their continued exemption from having to provide ingredients and nutritional information to consumers is neither justified nor acceptable.

# • Fostering the transition to a sustainable EU food system

HOW? By coming forward with an ambitious proposal for a **framework law on a Sustainable EU Food System** by end of 2023. When introducing definitions and rules for communicating on the sustainability of food products, the Commission should ensure these are closely aligned with the Farm to Fork Strategy's objectives.

WHY? Food production and consumption in the EU is currently unsustainable on all counts. A new comprehensive, overarching law that ensures coherence and consistency across all EU policies affecting food (including agriculture, health, trade) is key to transitioning to a sustainable EU food system where the sustainable choice becomes an easy one for consumers. By mainstreaming sustainability across all EU food-related policies, the law should guarantee that all consumers have easy and affordable access to food that is greener, healthier and socially fair.

#### Protecting children from unhealthy food marketing

HOW? The Commission must recognise the failure of self-regulation and put forward binding rules to prohibit the marketing and advertising of unhealthy food to children, both offline and online – e.g. through a **review of the Directive on Audiovisual Media Services** and/or through the upcoming **Sustainable Food System framework law**.

WHY? It has been widely acknowledged that the marketing to children of foods which are high in fats, salt and sugar has a strong impact on childhood obesity. Work by BEUC and its members has shown that industry voluntary commitments to market their products responsibly is not delivering.



#### Making connected products more cybersecure

**HOW?** By making a strong proposal for a **Cyber Resilience Act** by the end of 2022. The proposal must establish mandatory cybersecurity requirements for connected products and associated services, including obligations to ensure security by design and the provision of security updates and strong authentication and encryption requirements.

WHY? Ensuring cybersecurity is one of the most fundamental challenges we face in the digital age. 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. Unfortunately, many connected products put on the market lack basic security features, leaving consumers unprotected against cyberattacks.

#### Ending the geoblocking of audio-visual content

**HOW?** By extending the scope of the 2018 **Geo-blocking Regulation** to cover audio-visual content.

<u>WHY?</u> Geoblocking of audiovisual content is an unjustified, discriminatory and archaic practice that goes against the core principles of the EU Digital Single Market. It is harmful for competition, media diversity and consumer choice. European consumers should be able to access the audiovisual services and content of their choice across the EU without barriers.

# • Better protecting consumers against defective digital and AI-powered products

<u>HOW?</u> By upgrading the 36-year-old **Product Liability Directive** and/or potentially a separate proposal on **liability for products with AI**.

WHY? The existing liability rules are no longer adapted to the challenges brought by digital and AI-powered products, and insufficiently consider the pivotal role played by online marketplaces when it comes to distributing defective products. The Commission rightly intends to adapt civil liability rules to the digital age and artificial intelligence. However, it must also revise the Product Liability Directive and extend its scope to include online marketplaces selling defective products.

# • Protect consumer data in the automotive sector

HOW? By adopting a long overdue regulatory proposal regarding access to in-vehicle data by the end of 2022. This proposal should set out clear and enforceable rules for third parties to be able to access the data generated by the use of the car, under the full control of consumers.

WHY? At the moment, carmakers act as gatekeepers of the data generated by vehicles. This locks consumers into proprietary systems with no, or limited, options to choose different providers of services enabled by car connectivity. Without regulatory intervention, car makers and tech companies will keep the upper hand in choosing what data can be shared, under which condition, with a clear lack of standardisation or consumer control.



#### • Improving cooperation between EU and UK regulators

HOW? Bysettingupformalmechanisms between regulators. This should be done in important areas such as antimicrobial resistance, animal welfare, sustainable food production, competition policy, cybersecurity, health, and financial services. One example to follow is the formal cooperation between the EU's Consumer Protection Cooperation Network and UK's Competition and Market Authority.

WHY? The EU and UK are geographical neighbours who must learn to live next door to one another in a way that is mutually beneficial. Proximity dictates that supply chains will continue to stretch across the EU-UK border, and people will be crossing this border for travel and more. This makes addressing the cross-border element of consumer protection crucial.



# Sustainability

# • Curbing pollution from cars to benefit human health

**HOW?** By tightening polluting emissions limits of cars through Euro 7 rules in the long-awaited new generation of **'Euro' Regulation** in July 2022. Euro 7 standards should also ensure that limits are complied with under all driving conditions and throughout the lifetime of the car while foreseeing strong enforcement mechanisms to avoid a new Dieselgate scandal.

<u>WHY?</u> Polluting emissions from internal combustion cars are very harmful to human health and need to be significantly reduced. As the Dieselgate experience taught us, it is not enough for rules to be strict on paper, they must also be thoroughly enforced and apply to a wide range of driving conditions.

# • Making trains easy to book and ride across Europe

**HOW?** By coming forward with a strong initiative by end of 2022 to facilitate the development of **rail and multimodal trip services**. For this to happen, the European Commission should develop a regulatory framework which mandates the sharing of static and dynamic traffic data and which makes booking and single ticketing available to third party market players.

**WHY?** At the moment, train travellers are often very frustrated by the lack of availability of integrated booking and ticketing services, especially (but not only) for cross-border rail services. Offering consumers more possibilities to easily compare fare and tariffs, book a train ticket for a trip involving several operators and to be properly informed during the trip through several channels would contribute to making rail services, which are a core element of the green transition, more attractive.



#### Making consumer law fit for purpose in the digital economy

**HOW?** By undertaking a fitness check of the EU's main consumer law instruments.

WHY? The imbalance of power in the digital economy places consumers and regulators/enforcers in a position of unprecedented weakness vis-à-vis entities in control over data-powered algorithmic choice environments, which adapt in real time using behavioural insights to maximise user monetisation. With users feeling overburdened with disclosures which they must accept to access the services, such mechanisms undermine trust in these markets, as well as consumer agency and the functioning of modern democracies at large.

# • Guarantee travellers strong and easily enforceable rights, even in times of crisis

<u>HOW?</u> By reviewing the travellers' rights legislation, especially the **Air Passenger Rights Regulation** and the **Package Travel Directive**.

WHY? The Consumer Agenda acknowledged that European consumers rightly expect transport undertakings and tour operators to respect their rights. However, the current provisions on enforcement of all travellers' rights legislations are vague and insufficient. As a result, consumers are faced with patchy enforcement, are exposed to EU wide infringements from travel operators and/or tour operators as demonstrated by the pandemic (imposition of vouchers, misleading omission of rights etc.) and struggle to get their rights enforced.

# • Introduce a proper right to durability, including repair

<u>HOW?</u> By expanding the legal guarantee periods for more durable goods in the **upcoming legislative proposal on the right to repair**, which will include a revision of the **Sales of Goods Directive**.

To improve consumer awareness about the periods for which products are covered by a guarantee, a new EU label should be introduced that would combine the information on the legal and commercial guarantees.

WHY? Many studies have shown that the most effective tool, within the consumer law toolbox, to improve the durability of products is expanding the legal guarantee periods. This would create a real incentive for producers to improve their products' designs and facilitate consumers access to having their goods repaired.

#### Ensuring green claims are trustworthy

HOW? By introducing a system of pre-approval of green claims in the proposal expected in Autumn 2022. The system could be inspired by the one already applying to health and nutritional claims, making sure that only those claims previously checked are allowed on the market. Companies whose products are covered by certified and trustworthy labels of environmental excellence, such as the EU Ecolabel, would be exempted from having their claims pre-approved.

<u>WHY?</u> When purchasing goods and services, consumers increasingly face a lot of unsubstantiated green claims which mislead them into believing that the products that they buy do not harm the environment.

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