Europe
keep working
for consumers
2019
2024

Manifesto for the
2019 **European elections**

BEUC
The European
Consumer
Organisation

The Consumer Voice in Europe

Europe keep working **for consumers** 2019 2024

1. INTRODUCTION

The European Union is having an increasingly tangible impact on consumers' lives. And the list of EU laws that have changed things for the better for consumers is long.[1] The EU has defined high standards for food and product safety, made markets more competitive and produced a comprehensive set of consumer laws that improve our daily lives.

Strong consumer policy:
Response to the EU's challenges

As the lives of European consumers become ever more complex, so do the challenges for an effective and integrated EU consumer policy. Digitalisation, the climate crisis, globalisation and the rise of artificial intelligence will all require answers at the European level.

Voters expect the EU to deliver policies that overcome these challenges in order to guarantee the safety and quality of the food we eat, our privacy and autonomy when making purchasing decisions, the safety and security of the products we buy, our access to affordable healthcare, and much more.

We are convinced that a European Parliament that is strongly committed to addressing consumer issues has a strong hand of cards when it comes to responding to people's expectations.

Today, the EU finds itself at a crossroads and is weighing up its options for the future. We believe that if Members of the European Parliament maintain the EU as a champion of consumer rights they create a unique opportunity to build better relationships with people across Europe.

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1. What the EU has done for consumers:
   https://www.beuc.eu/publications/beuc-x-2018-106-what_the_eu_has_done_for_consumers.pdf

Our campaign priorities

The European Consumer Organisation – through its more than 40 national member organisations – has identified five top issues to be addressed by the European Union:[2]

1 **Artificial intelligence must serve, not harm consumers**

2 **Consumer products should last longer**

3 **Food labels should make the healthy option the easy option**

4 **Medicines should be accessible and affordable**

5 **Consumers should not be exposed to harmful chemicals**

These five priorities – as well as our broader demands – are about issues that greatly impact people's lives, now and in the years to come. They deserve the attention of European legislators. BEUC is committed to working with MEPs and to providing recommendations for consumer-friendly approaches to these upcoming challenges.

2. Our focus is on issues that require legislative action. Many top concerns for consumers – ranging from data protection to food information – are attached to various laws. However, enforcement at national level and abidance by companies will also remain challenges requiring urgent attention.

2. BEUC'S TOP PRIORITIES

Consumers expect the EU to change their lives for the better. We are asking the next European Parliament to act on five priorities. MEPs must insist that the next European Commission include these priorities in its work programme.

1 Artificial intelligence must serve, not harm consumers

The use of automated decision making based on algorithms will change both consumer markets and our societies. The massive uptake of artificial intelligence (AI) will lead to new products and services that promise to increase convenience and efficiency for consumers. And thanks to AI, the potential of both scientific research and medical diagnosis are expected to reach levels still inconceivable today.

However, huge challenges will arise and they will require ambitious solutions. Thanks to its ability to analyse vast amounts of data, business can use AI-powered software to offer certain products to certain consumers. Therefore, one potential outcome of AI is unfair discrimination between different groups of people, for instance on the basis of economic criteria or a person's health condition. Companies could for example decide to first offer an innovative product to the most affluent people or withhold insurance offers to those who are ill. More generally, automated decision making may alter the relationship between consumer and trader: the transparency and comparability of prices may disappear in a market run by self-learning algorithms. Legislators must make sure that AI products and services are safe and that risks – including discrimination, loss of privacy, loss of autonomy, and lack of transparency – are avoided.

Our recommendations:

- AI-based products and services must be user-friendly and legally compliant by default and by design. They must in particular respect EU consumer, safety and data protection rules. Discrimination and lack of transparency and/or privacy must be avoided.

- The right to object to an automated decision-making (ADM) process and to contest the decision it generates should exist. Users should have the right to transparency concerning the parameters around which offers are based, and to an explanation for why a machine has come up with a particular result.

- The EU should adopt appropriate liability rules for situations where consumers are harmed by unsafe or defective products, digital content products (such as online games) and services (a messaging app).

- As a general principle, companies must introduce effective mechanisms to allow audits of how AI/ADM uses people's data. AI/ADM auditing should be carried out by independent third parties or specific public bodies.

- For certain sectors, ethical guidance for the development and use of AI can be important. However ethics never can nor should replace laws that protect people, that are binding for business and that are enforceable. We need to make sure that existing rights are updated and that new protections are established when lacunae appear due to these new developments.

2 Consumer products should last longer

Printers or smartphones that can no longer be fixed shortly after the guarantee expires, electric toothbrushes that break too quickly, unavailable spare parts for coffee machines, unavailable software updates for internet-connected products…. Many consumers are forced to deal with 'premature obsolescence', or the early failure of products. The negative consequences include inconvenience, financial loss, and tremendous pressure on the environment.

The EU needs to take serious action in order to prolong product lifetime, repairability and upgradeability. While national rules such as lower VAT rates on repair services and spare parts can make an important contribution, EU measures could ensure that all products are designed to last. The EU should also provide easy and comparable information about product lifetimes to consumers.

Our recommendations:

- Durability should be in the DNA of product design. Ecodesign rules make some products greener from the design phase: for example, ensuring that fridges, washing machines and solar panels use less energy for the same performance. We could make the most of this tool if the EU systematically included durability requirements on top of energy-using requirements.

- Lifetime information should be provided prior to purchase. Consumers need to know about the expected lifetimes of products and related costs, repair options and availability of spare parts while they are shopping. This would help them to choose more sustainable products that suit them better.

- Spare parts should become systematically available and more affordable. This way consumers can have their broken washing machines or printers repaired instead of buying new ones. Spare parts and repair manuals should be available for a duration that reflects the product's expected lifetime.

- Software updates should be available during the expected lifetime of the product. Also, consumers should be informed at the time of purchase about how long updates will be available and for what purpose (security, functionality updates, etc.).
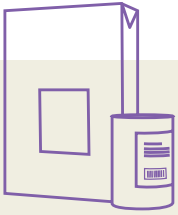
3 Food labels should make the healthy option the easy option

One in two European adults is overweight or obese.[3] Figures are particularly alarming for children, with one in three overweight or obese. Obesity and its health effects have severe consequences: not only at the personal level, but also in terms of public health due to the additional burden of health care costs on government budgets. In today's busy world, consumers make their purchase decisions in a matter of seconds. Food labels must therefore make the healthy option the easy option.

Since December 2016, all food and non-alcoholic drinks must carry a nutritional declaration on the back of the pack. Yet many consumers struggle to make sense of the numbers. The declarations lack an interpretative element, such as colour coding, to help people figure out the nutritional value of a product. Unfortunately, EU food labelling rules do not currently mandate the provision of simplified nutritional information to consumers. They allow the possibility for Member States and food companies to develop their own simplified nutrition labelling schemes, and some governments and private operators have seized the opportunity to do so. Several schemes are now in use across and/or within various Member States; some are more helpful than others.

The Nutrition and Health Claims Regulation, in application since 2007, aims to ensure that any health-related claim made on a food's label or in advertisements is accurate and based on scientific evidence, and that it does not mislead consumers into believing that the food is healthier than it really is. In practice, however, many products that are high in fat, sugar and/or salt continue to claim health benefits. This is because the EU is nearly ten years late in establishing the so-called 'nutrient profiles', a set of nutritional criteria meant to determine which foods are actually healthy enough to advertise health benefits.

Our recommendations:

- All EU consumers should be able to make healthier food choices when they shop for groceries thanks to the introduction of a mandatory EU-wide front-of-pack nutritional labelling scheme with colour coding.

- Nutrient profiles should be established, at long last, to ensure that food and drinks that are high in fat, sugar and/or salt can no longer claim health benefits.

3. http://www.euro.who.int/en/health-topics/noncommunicable-diseases/obesity/data-and-statistics

## 4 Medicines should be accessible and affordable

For consumers around Europe, high prices and shortages of medicines have become a barrier to accessing the treatments they need. Groundbreaking new medicines have been developed to treat severe forms of cancers and debilitating conditions such as Hepatitis C. Yet their costs are so high that governments are forced to make very hard choices about which treatments to reimburse. The result is that although effective medicines exist, they are not necessarily reaching the patients.

An important part of the research and development of medicines is conducted by public universities or through research projects, and both are subsidised by taxpayers' money. However, this contribution is not reflected in the final price set by the pharmaceutical industry, meaning that consumers pay twice for medicines: once as a taxpayer and again as a patient.

Furthermore – despite the high prices – patients cannot always be sure that treatments deliver what they promise. Many new drugs are approved with limited data, on the condition that industry collects this data as soon as patients start taking the drug. Unfortunately, this post-marketing collection often fails to deliver the expected results, either because data is not available or because the promised benefits are not delivered.

Our recommendations:

- The EU Transparency Directive should be reformed so that manufacturers are obliged to be transparent about the real costs of pharmaceuticals.

- Rules should be put in place to ensure that patients using 'early access' medicines are given the same protection through additional safety monitoring as participants in clinical trials.

- Many of the medicines that have been developed thanks to public funding are becoming increasingly unaffordable or unavailable. The EU should make public funding for medicines conditional on them being accessible and affordable for patients.
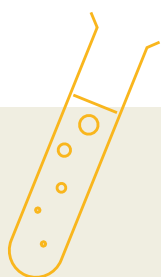
5 Consumers should not be exposed to harmful chemicals

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. Most chemicals can still be used in consumer products with little actual control. Product tests by BEUC members – national consumer organisations – frequently detect chemicals of concern in products that consumers come into very close, regular and prolonged contact with. The list is long, and includes clothes, shoes, toys, childcare products, cosmetics, hygiene products and food packaging. In fact, much of consumer exposure could be avoided as these chemicals are found in some but not all tested products, meaning that alternatives are available.

Despite landmark achievements, for instance the comprehensive REACH law, robust chemicals provisions are absent for most consumer products. An extensive study for the European Commission recently found that: "Legislation preventing the presence of toxic substances in products (where possible) is scattered, neither systematic nor consistent and applies only to very few substances, articles and uses, often with many exemptions."[4]

Consumers often do not know which products contain which chemicals and how to reduce their exposure. But they are concerned: in a 2017 Eurobarometer survey[5], 84 percent of Europeans reported concerns about chemicals in everyday products, up from 43 percent in 2014. Moreover, consumers report that they lack information about chemicals in the products they buy. The 2014 Eurobarometer survey[6] for example found that about four out of 10 consumers would like more information about the health impacts of chemicals used in everyday products.

Our recommendations:

- Childcare products (including for example prams, play carpets and pacifiers) must be free of cancer-causing chemicals.

- An EU law that sets limits for chemicals in hygiene products (e.g. nappies) should be adopted.

- EU legislation should be modernised in order to account for cumulative exposure (the 'chemical cocktail'). Maximum limits must look not only at individual substances, but consider that consumers are simultaneously exposed to numerous other substances.

- Consumers must receive accurate, easy to understand and reliable information about chemicals in the products they purchase, through clear and coherent labelling.

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4. https://publications.europa.eu/en/publication-detail/-/publication/89fbbb74-969c-11e7-b92d-01aa75ed71a1/language-en

5. Special Eurobarometer 468 'Attitudes of European citizens towards the environment' (2017)

6. Special Eurobarometer 416 'Attitudes of European citizens towards the environment' (2014)

3. FURTHER RECOMMENDATIONS

The EU has broad competence in consumer affairs and a strong objective to complete the Single Market. Our recommendation is that the EU focus on the five priorities described above. But other areas also deserve attention, and the European Parliament should also focus on bringing about the following essential changes:

Building fairer and more competitive markets

Trade deals should comprise a chapter on consumers

One root of public discontent with recent trade deals like CETA and the EU-Japan agreement is that they do not give EU citizens the impression that they are crafted to their benefit. In fact, a study[7] commissioned by the Federation of German Consumer Organisations (vzbv) shows that consumer protection does not figure prominently in trade agreements.

The EU trade deals of the 21st century must bring tangible benefits to consumers while ensuring the highest levels of protection. This could become a reality if a consumer chapter were to be included in every EU trade deal. Some consumer protection provisions are included in sectoral chapters such as telecoms and digital and financial services in current EU trade agreements, but they are not gathered under a common chapter.

A consumer-specific chapter could compile provisions about how the trade agreement would benefit consumers while protecting them at the same time. Such a chapter would reinforce the importance and value of the consumer interest, and would avoid it being sidelined. For instance, the chapter could set the objective of protecting and benefiting consumers on equal footing with the objective of liberalising trade. It could also refer to ways to reinforce consumer trust, uphold consumer protection levels and guarantee the enforcement of consumer law. Finally, the chapter could define how the consumer interest would be evaluated in the different impact assessments. It could also describe how consumer organisations would be involved in the implementation of the agreement. To illustrate, BEUC has developed a model chapter[8].

Country-of-origin labelling for meat and milk should be obligatory

Over 80 percent of Europeans want to know where their meat and milk – as well as derived products such as sausages, bacon and cheese – come from. Currently, EU law requires labelling of the origin of meat when it is sold fresh (but not when it has been processed), whilst the origin labelling of milk remains voluntary. Leaving it to food producers to decide whether or not to provide origin information has been proven to fall short of consumers' expectations. Accordingly, some Member States have adopted temporary, 'experimental' national measures to make country-of-origin labelling compulsory for meat and milk, including when they are used as ingredients in processed foods.

7. https://www.vzbv.de/sites/default/files/downloads/2017/02/13/17-02-14_vzbv_position_consumer_rights_trade_agreements.pdf

8. https://www.beuc.eu/publications/beuc-x-2017-096_lau_model_consumer_chapter_in_trade_agreements.pdf

A survey carried out by the French consumer group UFC-Que Choisir has highlighted a significant and positive impact of French origin labelling measures with regard to consumer information.[9] The European Parliament has repeatedly called for a regulation requiring mandatory origin labelling for all kinds of drinking milk, dairy products and meat products in two resolutions passed in 2015 and 2016.[10] It is clear that the EU must adopt this measure.

An EU law on device neutrality that gives consumers control over their digital devices should be adopted

As consumers' lives go increasingly digital and take place online, it is important to guarantee that they can use their smart devices and connected products the way they want, in a truly neutral and non-discriminatory fashion.

Since devices can be gatekeepers to services and apps, consumers must be in control. Restrictions in terms of how consumers can use these services and apps (for instance regarding the apps they can install on their smartphones or the app stores they can access on their tablets) can have serious negative impacts on competition, innovation and user choice. Following the example of the EU's net neutrality rules, a European law on device neutrality would give consumers the right to use software and access content and services via their digital devices without any unjustified discriminatory conditions.

This law should also give consumers the right to uninstall default apps and content they are not interested in. It should also prevent commercially-motivated restrictions imposed by device manufacturers and providers of operating systems that are designed to stop app providers from accessing the device functions (for example geolocation) they need to operate their services (for example navigation systems).

The EU must make its competition law fit for purpose in the digital age

The era of digitalisation has brought new opportunities for consumers. Search engines, online shopping websites and mobile phones are ubiquitous and convenient parts of our lives. However, digitalisation has also been accompanied by new forms of abuse. Algorithms may be used to manipulate consumer choice. Digital behemoths have become veritable gatekeepers in the sense their business model determines what information people come across. Consumers' (personal) data is collected all along their online journeys.

Some of these online firms have massive market power, and such abuses are widespread. This threatens the openness of the internet and innovation in digital markets. An economy that is dominated by a few players raises serious concerns about the protection of European consumers' welfare in a digital world.

The EU should adopt measures that make the digital economy competitive, fair and transparent. Consumers must be able to decide how their data is being handled and what products and services they want to use or buy. They should not be shepherded into using only the products of a specific firm.

Concretely, the EU must update its competition law toolbox. Specific measures to address entry barriers, for instance when a company refuses to give competitors access to data that might be necessary for the development of innovative products, are also needed.

Sales incentives in financial services should be banned

Advice is something that consumers seek for all sorts of important financial decisions in their lives, from setting up an investment plan to starting a pension fund to save for their retirement. Consumers need to be able to rely on someone able and qualified to help them navigate what is often a jungle of complex financial products in order to choose the product that is most suitable for them. Unfortunately, as has been shown by many recent mis-selling scandals in Europe,[11] consumers are often not getting the advice they really need and are frequently pushed into buying financial products that are entirely inappropriate for them.

9. UFC-Que Choisir, April 2018. The survey found an overall 25% increase in the number of foods containing meat labelled with the specific country of origin of the meat (as compared to 2016).

10. Resolutions of 11 February 2015 and of 12 May 2016.

11. https://www.thepriceofbadadvice.eu/

BEUC strongly believes that commissions – the sales incentives that advisers receive for selling a particular product – give rise to serious conflicts of interests during the advisory process. Sales incentives prevent advisers from acting in the client's best interest, and instead trigger recommendations for the products that bring the highest possible benefits to the adviser. In turn, advisers tend to steer consumers towards investing in overly complex, expensive or unsuitable products. Recent research by the European Insurance and Occupational Pensions Authority (EIOPA) shows how insurance firms receive over €5 billion per year in commissions from large investment funds, and they in turn guide EU consumers towards more expensive investment-based products.[12]

To tackle the conflict of interest that remains at the heart of financial advice, the EU must implement a full ban at the European level on the payment of sales incentives for all investment products and complex financial products. A ban on commissions would ensure that financial advisers are not unduly influenced when providing financial advice, and would ensure better outcomes for EU consumers.

Following several mis-selling scandals in their own countries, the Netherlands and the UK have already opted to implement nation-wide bans on commissions. Recent evaluations by the Dutch[13] and UK[14] governments of their respective bans prove their effectiveness in reducing conflicts of interest. Meanwhile, research by the European Commission[15] suggests that consumers in the UK and the Netherlands pay the lowest fees for investing into funds due to their countries' bans on commissions to financial advisers.

The EU should introduce the concept of a 'driving license' for financial firms

Currently, financial firms can obtain a license in any Member State and then sell their products and services in other EU countries through a national branch or online distribution. This is called 'passporting'. In such cases, the supervisory authority of the firm's home country is authorised to oversee its activities, while the host authority (the country where the firm effectively operates) has limited power.

The EU passporting model does not take the consumer perspective into account. Financial firms have the incentive to get their EU passport in a country with lax supervision so that they can slip under the supervisory radar in their pan-European activities. BEUC has witnessed examples of the resulting consumer detriment. For example, during the Icelandic bank crisis, consumer savings were endangered as the respective roles of the home and host authorities were unclear.[16] Another example is the targeting of EU consumers by providers of complex and highly risky investment products established abroad.[17] And very recently an insurance company passported in Cyprus went bust, leaving nearly 200,000 Bulgarians without car insurance.[18]

The EU should initiate an overhaul of the passporting concept and replace it with the 'EU driving license' concept: financial firms would still get their license in one country but would be supervised by host authorities (where the firm effectively operates) as far as conduct and consumer protection responsibilities are concerned.

12. https://eiopa.europa.eu/Publications/Reports/16.%20EIOPA-BoS-17-064-Report_Thematic%20review%20on%20monetary%20incentives%20and%20remuneration.pdf

13. https://www.tweedekamer.nl/downloads/document?id=6eba7576-c347-4c73-aaae-74501faaae10&title=Evaluatie%20provisieverbod.pdf

14. https://www.fca.org.uk/publication/corporate/famr-final-report.pdf

15. https://ec.europa.eu/info/sites/info/files/180425-retail-investment-products-distribution-systems-summary_en.pdf

16. https://publications.parliament.uk/pa/cm200809/cmselect/cmtreasy/402/402.pdf

17. https://www.telegraph.co.uk/finance/personalfinance/investing/11670772/Are-Britons-unwittingly-investing-in-poorly-regulated-European-investment-firms.html

18. https://www.reuters.com/article/bulgaria-insurance-olympic/bulgarian-regulator-quits-amid-outcry-over-insurance-company-idUSL8N1VC1LF

Giving consumers stronger rights

A European framework to protect consumers' privacy and autonomy in the digital age is required

It has become commonplace for a myriad of digital players to closely follow consumers' every move both online and offline, and this will soon be the reality in all business sectors. A recent study by Norwegian consumer organisation Forbrukerrådet showed for instance that through its 'location history' setting, Google continuously logs the user's location.[19] Surveillance is the dominant business model of the internet, and this spills over into our offline world through the Internet of Things (IoT).

The privacy and manipulation problems this creates will only be exacerbated as the IoT continues to be rolled out and AI-based products and services powered by big data start to become ubiquitous. Consumers' freedom, autonomy and self-determination are at risk. With their every action being monitored and scrutinised for commercial purposes, the behaviour and decisions of consumers could be influenced in ways beyond their knowledge, understanding and control. The risk of algorithmic and data-driven discrimination also becomes a fundamental issue.

For example, insurance companies could deny consumers coverage based on the food they order online or how active their lifestyles are. A decision on whether or not to grant them a loan could be influenced based on a determination of who their friends are on social media. Online shops could decide to no longer show certain offers based on a consumer's previous shopping behaviour. Companies could exploit the information they gather to build user profiles, to micro-personalise offers and experiences, to deliver targeted advertising and to influence consumer behaviour with the aim of maximising commercial profits. All of this is to the detriment of consumer welfare.

The EU should adopt a comprehensive framework – building on the General Data Protection Regulation, the proposal for an ePrivacy Regulation, the consumer law acquis, competition law and EU anti-discrimination laws – to addresses the problem of 'commercial surveillance' and to protect consumers' freedom, autonomy and self-determination in the digital age.

A new European gas law should be created

Natural gas is the dominant source of energy for EU consumers and an important part of their energy bills. It is the largest primary energy source for heating and cooling (followed by coal, biomass, fuel oil, nuclear energy and renewable energy sources). Between 2008 and 2016, the average final price for gas rose by 8.9 percent for household consumers, while it decreased by 28.2 percent for industrial consumers.[20]

Many European consumers still find it difficult to effectively exercise their rights in gas markets. For instance, they face challenges in comparing gas and electricity offers as well as barriers to switching and unclear energy bills. Indeed, according to a European Commission study,[21] 37 percent of the consumers surveyed found their energy bills difficult to understand.

While the EU undertook a sweeping reform of the electricity market starting in 2016, the rules for gas have barely been touched. The resulting discrepancies can create unnecessary difficulties, leading for example to situations where consumers have different rights in electricity and gas markets. This potential source of confusion could reduce people's confidence in energy markets. A European gas legislation could help to ensure that consumers in gas markets are not left behind.

19. https://fil.forbrukerradet.no/wp-content/uploads/2018/11/27-11-18-every-step-you-take.pdf

20. ACER/CEER Annual Market Monitoring Report, 2016. Available at: https://www.ceer.eu/documents/104400/6094889/ACER+Market+Monitoring+Report+2016+-+ELECTRICITY+AND+GAR+RETAIL+MARKETS.pdf/b188af93-ff73-9a55-7075-6b016c20ab1d

21. Consumer study on "Precontractual information and billing in the energy market – improved clarity and comparability", 2018. Available at: https://ec.europa.eu/info/sites/info/files/final_report_2_july_2018.pdf

Allowing people to live healthier lives

Alcoholic drinks require better labelling

Thanks to EU law, nutrition and ingredients labelling are now legal requirements for the majority of food and drink products. This information allows consumers to make informed purchasing decisions. However, when EU food labelling rules were negotiated over seven years ago, one important loophole was created: alcoholic beverages were exempted from having to provide this information.

Consumers should be provided with ingredients and nutritional labelling irrespective of whether they are drinking a soda or a glass of wine. Indeed, very few of them know that a large glass of red wine (13 percent alcohol) has 170 calories and an average half litre of beer (5 percent alcohol) has about 220 calories. These amounts are comparable to eating a chocolate bar.

In 2017, the European Commission itself found no "objective grounds that would justify the absence of information on ingredients and nutrition information"[22] on alcoholic drinks. But instead of moving towards legislation to finally close this loophole, the Commission granted the alcohol industry one additional year to come forward with a proposal for self-regulation.

The industry's self-regulatory proposal, published in March 2018, fails to meet consumer expectations. The EU should thus propose legislation that simply brings alcoholic beverages including beer, wine and spirits in line with other food and drink products. In sum, alcoholic drinks should be required to provide information about nutrition and ingredients on the label, where it can be seen and used by consumers.

Making products safer and more secure

'Smart' products must be safe and secure

The Internet of Things – products that are connected by internet – is unstoppably making its way into consumers' lives. However, little is being done to make sure that these products are safe and secure. Numerous tests by consumer groups have revealed that many of these products do not respect people's safety, security or right to privacy.[23] Personal data is often shared with third parties without consumers' knowledge. Strangers can easily take control of smart toys or home devices in a few simple steps. To make matters worse, European consumers are currently unaware that IoT products may not meet basic safety and security expectations.

There is currently no regulatory framework to tackle these vulnerabilities and to prevent insecure connected products from reaching the EU market. This flaw is partly rooted in EU law, which defines 'safety' solely in terms of protection against physical damage. This legal concept of safety is too narrow, and fails to protect consumers from the security flaws that smart products may have.

The European Parliament should make the security of connected products and their associated services[24] a priority. What is needed is a horizontal EU law that cuts across product groups and demands that connected products are secure by design and by default.

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22. "EU Commission report: consumers need improved alcohol information", BEUC press release, March 2017

23. https://www.beuc.eu/publications/beuc-x-2018-103_safety_of_connected_products.pdf

24. I.e. the digital services that are linked to IoT devices such as mobile applications.

Ensure more sustainable societies

A truly sustainable product policy

Consumers regularly say in Eurobarometer surveys that the environment matters to them, and that they are concerned about excessive waste and the chemicals in everyday products. Yet it is difficult for them to find alternatives due to the lack of truly sustainable products and services as well as many misleading green claims. Action is required on several fronts.

Consumers must receive clear, comparable and credible information about products, e.g. through the EU Ecolabel, the EU Energy Label and standardised repair information. While the Ecolabel and Energy Label should be extended to cover more product groups, the Repair Score – currently under development – needs proper consumer testing before it is rolled out as a new information scheme.

Single-use plastic must also be reduced, and reusable alternatives must become more widely available. While the EU has made a first step towards cutting single-use plastic, a thorough discussion and additional mandatory measures will be needed in order to overturn our throw-away society.

The EU should boost sustainable mobility

Most of our cars run on oil-based fuel – an increasingly scarce resource – making driving more and more expensive and bad for the climate. CO_2 emissions from cars are directly related to the car's fuel consumption: each 1 percent decrease in CO_2 emissions results in a 1 percent decrease in fuel consumption. EU action in several areas can lead to a boost for more sustainable cars.

The EU should revise the Car Labelling Directive so that consumers are better informed about the fuel consumption of the car they want to buy. Consumers need more reliable, comparable, relevant and easy-to-understand information about the emissions, fuel consumption and cost performance of cars.

Real Driving Emissions tests, already available for NOx emissions, should be extended to CO_2 emissions as well as fuel consumption. This is the only guarantee that car makers will deliver emissions reductions in real life and not just on paper.

A switch to electromobility will only happen if it really benefits consumers. The EU institutions and Member States need to be more ambitious when it comes to deploying recharging infrastructure. Furthermore, charging stations should be easy to use, featuring simple payment systems and more transparent tariffs.

A LOOK BACK: ACHIEVEMENTS OF THE 2014-2019 LEGISLATURE

The raft of new consumer-friendly measures adopted by the European Parliament in the past five years or implemented by Member States exemplifies how the EU has positively impacted consumers throughout Europe:

Building fairer and more competitive markets

The **Mortgage Credit Directive**, applicable since March 2016, sets strong standards for responsible lending. Lenders now have the obligation to check the borrower's creditworthiness and grant a loan only if the borrower can afford it. This is a much-needed stop to irresponsible lending practices.

Starting from May 2019, consumers will pay less when they make a phone call from their home country to another EU country thanks to the recently adopted **Electronic Communications Code.**

Since June 2017, following a decade-long lobby battle, consumers can finally use their mobile phones without **roaming charges** when travelling to another EU country.

Thanks to the EU's major reform of electricity markets, in particular the **Electricity Regulation**, energy markets throughout Europe will become cleaner. The revised rules will limit state subsidies to the most polluting power plants and enable the transition towards a cleaner energy supply with more renewables.

Giving consumers stronger rights

The new **food labelling rules** in force since December 2014 allow consumers to make better informed food choices. The vegetable origin of refined oils and fat must be indicated in the list of ingredients for example, and consumers must be informed if a food has been defrosted before sale.

The **Payment Accounts Directive** has granted the right to a basic bank account to all EU residents. The million Europeans without an account are currently stripped of many essential rights such as the facilitation of housing or the payment of salary. This new right will go a long way towards correcting this unjustifiable situation.

In 2018, the world's most comprehensive law to protect our privacy and personal data (the **General Data Protection Regulation**) entered into force. This law empowers consumers to have control over their personal data, and obliges companies and public bodies to be transparent and accountable about how they use this data.

Energy systems across Europe are changing radically, and the production of renewable energy is substantially increasing. Thanks to the **Renewable Energy Directive** adopted in November 2018, Europeans now have the right to consume, store and sell the energy produced on their premises at favourable conditions.

Thanks to the EU's **Portability Regulation** that entered into force in April 2018, consumers are able to use their online subscriptions to access their favourite video-on-demand providers, music streams or games when travelling within the EU. Previously, the use of these tools was often limited to the country of residence.

Thanks to the **Package Travel Directive**, applicable since July 2018, consumers who buy holidays and travel arrangements from the same operator or website enjoy a better level of protection if they combine at least two services – such as the flight and a hotel booking or car rental.

The updated **Payment Services Directive** has further reduced consumer liability for unauthorised transactions. It is now limited to EUR 50, in comparison to EUR 150 previously.

Discrimination against consumers based on their nationality or place of residence – so-called **geo-blocking** – is since December 2018 no longer permitted. Traders will not be allowed to refuse a purchase simply because a consumer lives in another country or pays with a foreign bank card.

Thanks to the revised **Electricity Directive** provisionally agreed in mid-December 2018, electricity markets should work better for consumers and their rights will be improved. For instance, energy bills will be clearer and switching suppliers will become easier and faster. Thanks to new tools such as demand response offers and smart technologies, it will be easier for consumers to engage in electricity markets. Consumers in vulnerable situations and energy poverty will also be better protected.

The EU institutions have approved a deal which includes rights for consumers of **digital content** like software, streaming services or game downloads for the first time. The reform also modernises rules on **tangible goods**, particularly for goods that only function with software or which connect to the internet like smartphones or smart TVs. Shoppers will be entitled to updates if there is software embedded in the device and a right to repair or replacement if something goes wrong.

Allowing people to live healthier lives

Since December 2016, all pre-packaged food and non-alcoholic drinks must bear a **nutritional declaration** on the back-of-pack, indicating the number of calories and amount of six key nutrients (fat, saturates, carbohydrates, sugars, protein and salt).

The way that cars are tested has been strengthened significantly. In September 2018, a decade-old laboratory test was replaced by the more representative **WLTP test cycle**. This test better replicates real driving conditions and will provide consumers with more realistic information, for example about fuel consumption. The EU also adopted the so-called **Real Driving Emissions test**, which tests cars in real conditions for NOx and fine particles.

A **European Reference Network** was set up in 2017 to pool knowledge about rare diseases. Between 6,000 and 8,000 rare diseases affect or will affect an estimated 30 million people in the European Union. The network will increase chances for patients to receive accurate diagnoses and advice on the best treatment for their specific conditions.

In response to the Dieselgate emissions affair, a new **'type approval'** regulation was adopted in 2018. The new system will boost checks and transparency regarding the work of national type approval authorities.

Making products safer and more

Since April 2018, thanks to a new EU law adopted in 2017, food manufacturers, fast-food chains, restaurants and food shops must apply measures to ensure that levels of a **cancer-causing contaminant called 'acrylamide'** in their fries, crisps, coffee and biscuits remain below established benchmarks.

After many years of negotiation, a **Medical Devices Regulation** was adopted in 2017. Before having a pacemaker or a hip implant fitted, consumers will receive a card detailing the potential adverse effects. Once a device hits the market, monitoring will be enhanced thanks to easier defect reporting by consumers and better data collection.

Antimicrobial resistance is one of today's biggest global health threats. In 2018, the EU revised rules for the **use of antibiotics in farm animals**. Under the new law, the routine preventive use of antibiotics for food-producing animals will be prohibited. The EU will also draw up a list of last-resort antibiotics that should be reserved for the treatment of humans in order to preserve their effectiveness.

Since December 2014, restaurants, bakeries and other food shops across Europe are required by law to tell customers if their food contains **ingredients known to trigger allergies**.

Ensure more sustainable societies

Thanks to an **Energy Efficiency Directive** adopted in November 2018, it will be easier for European citizens to benefit from energy efficiency measures and enjoy higher energy efficiency standards. The introduced measures are expected to boost the renovation rate of the building stock in Europe, resulting in more energy efficient households and helping consumers to save on their energy bills.

In 2018, the EU reached an ambitious deal to cut the use of **single-use plastic**. This kind of plastic is a major global source of marine pollution. Certain plastic items for which better alternatives exist (such as plastic cutlery and cotton bud sticks) will be banned. Some products, such as wet wipes and plastic-containing tobacco filters, still need better labelling and information for consumers.

The **EU Energy Label** will return to its easily recognisable A-G scale in order to better help consumers choose the most energy-efficient fridges, dishwashers and other appliances. 'A+' classes had appeared over time to recognise further energy efficiency improvements in products, but they ended up confusing consumers.

Notes

Our member organisations

- AT - Arbeiterkammer
- AT - Verein für Konsumenteninformation
- BE - Test Achats/Test Aankoop
- BG - Асоциация Активни потребители
- CH - Fédération Romande des Consommateurs
- CY - Kypriakos Sundesmos Katanaloton
- CZ - dTest
- DK - Forbrugerrådet Tænk
- EE - Eesti tarbijakaitse LIIT
- FI - Kuluttajaliitto – Konsumentförbundet ry
- FR - CLCV
- FR - UFC-Que Choisir
- DE - Stiftung Warentest
- DE - vzbv
- EL - EKPIZO
- EL - KEPKA
- ES - CECU
- ES - OCU
- HR - Unija potrosaca Hrvatske
- HU - Fogyasztóvédelmi Egyesületek Országos Szövetsége
- IE - Consumers' Association of Ireland (CAI)
- IS - Neytendasamtökin

- IT - Altroconsumo
- IT - Consumatori Italiani per l'Europa
- LT - Lietuvos vartotojų organizacijų aljansas
- LU - Union Luxembourgeoise des Consommateurs
- LV - Latvijas Patērētāju interešu aizstāvības asociācija
- MK - Organizacija na potrosuvacite na Makedonija
- MT - Ghaqda tal-Konsumaturi
- NL - Consumentenbond
- NO - Forbrukerrådet
- PL - Stowarzyszenie Konsumentów Polskich
- PL - Federacja Konsumentów
- PT - DECO
- RO - Asociaţia Pro Consumatori
- SK - Združenie slovenských spotrebiteľov
- SK - Spoločnosti ochrany spotrebiteľov
- SI - Zveza Potrošnikov Slovenije
- SE - Sveriges Konsumenter
- UK - Citizens Advice
- UK - Financial Services Consumer Panel
- UK - Legal Services Consumer Panel
- UK - Which?

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BEUC The European Consumer Organisation

The Consumer Voice in Europe