

ANEC comment on the Programme of Community action in the field of Health and Consumer Protection 2007-2013

This ANEC position paper sets out our view on the Commission's proposal for a new Community programme for Health and Consumer protection, bearing in mind our specific mission to represent consumer interests in standardisation and the scope of our activities, that is to say safety, performance, accessibility and environmental aspects of products and services.

Our position paper incorporates the views, as expressed in the BEUC Position Paper on the same issue (BEUC/X/040/2005), which we fully endorse.

A. Executive summary

Standardisation plays a prominent role in the 2005 re-launch of the Lisbon agenda (Job and Growth Strategy) of the European Commission. Indeed standardisation is considered as one of the key factors to enhance Europe's competitiveness. Therefore, the European Commission and Member States are keen to push standardisation, for instance, in the services sector as a means of completing the Internal Market. It is vital that the consumer view is an integral part of this concept and that the work of ANEC is continued and extended to new policy areas, such as services. Therefore ANEC welcomes the Commission's commitment to ensure continuity in supporting European consumer organisations as a precondition for effective consumer involvement in EU standardisation.

The Commission's intention to use standardisation in the services area instead of legislation will have a direct impact on ANEC and our work. The challenge here is that there is no overarching legislative framework, in which standards could operate, as this is the case in the product safety area with the General Product Safety Directive (GPSD) and the New Approach Directives (for instance the Toys Directive) and voluntary standards. In addition, there is a lack of experts and there is a lack of information on the safety dimension of services as well as on reliability, quality and performance benchmarks, all of which need to be addressed. ANEC is actively looking at how we can address these needs and hope that the European Commission and European Standards Bodies do likewise.

This said, ANEC welcomes the European Commission's proposal for a new programme in the field of Health and Consumer protection for the years 2007-2013 because it is important to maintain continuity with previous programmes and Community actions in the consumer protection domain. The Community Consumer protection programme is an important measure to enhance consumer policy and consumer protection throughout the enlarged European Union. Therefore we welcome the proposed doubling of the budget for consumer policy.

However, we are concerned that a joint programme between health and consumer policy

runs the risk that consumer policy loses its identity and may become “second class” in relation to health policy. Given that consumers are an important economic player in the Internal Market, we consider it paramount that consumer issues receive adequate attention.

We agree that the three objectives of the Consumer Policy Strategy 2002-2006 remain valid, as well as the target of mainstreaming and integrating consumer interests in other policies and increasing the participation of consumers in policy-making related to consumer protection.

Mainstreaming consumer interests in EU standardisation policy and increasing consumer participation in this area require:

- Innovation of the European standardisation system, in particular in light of the shift of standards to the services sector
- Adding the concept of balanced stakeholder representation to the principles of EU standardisation to ensure fair and equal chances
- Better consumer protection in the services area by establishing an overarching legislative framework on safety of services at EU level to be underpinned by service specific standards
- Sustainable funding of consumer participation in standardisation both at national and EU level (including international standards)
- More consumer-oriented research, in particular with respect to risk assessment and safety of products and services
- Increased access for consumer representatives to research and scientific evidence
- Establishing a comprehensive and sophisticated Europe-wide data collection system on accidents and injuries in relation to product and service safety, taking into account the experiences with the EHLASS system
- Opening-up of the Comitology Committees for consumer participation
- Transparent consultation procedures
- Improved enforcement of consumer protection legislation and safety standards

B. Detailed remarks

The Approach – a joint programme

ANEC welcomes the European Commission’s proposal for a new programme in the field of Health and Consumer protection for the years 2007-2013 because it is important to maintain continuity with previous programmes and Community actions and because this is an important measure to enhance consumer policy and consumer protection throughout the enlarged European Union.

Therefore we welcome the proposed doubling of the budget for consumer policy whilst highlighting that in relation to other policies the level of funding for consumer protection is fairly low.

ANEC also acknowledges the importance of three joint objectives: *To protect citizens from risks and threats that are beyond the control of individuals* (e.g. health threats and unsafe products), *To increase the ability of citizen to take better decisions about their health and consumer interests*, and *To mainstream health and consumer policy objectives*. ANEC in particular appreciates the intention to increase the participation of consumer organisations in EU policy-making by promoting their networking, wider public consultations and better representation in consultation bodies. Mainstreaming or integrating consumer policy in all EU policies has always been a demand of consumer organisations.

However, we have doubts whether a common approach for both health and consumer policy would be feasible or effective. ANEC in fact shares BEUC's concern that a joint programme between health and consumer policy runs the risk that consumer policy loses its identity and may become "second class" in relation to health policy.

In addition, it is important to note that consumer policy is closely linked to other policy areas such as the Internal Market and competition policy. In ANEC's case, we deal – to a large extent - with industrial policies, in particular standardisation policy under the auspices of DG Enterprise. Therefore, in administrative terms, we support BEUC's call for having consumer policy assigned to the Competitiveness Council.

Consumer Policy – Towards a European Market for European consumers

ANEC agrees that the three objectives of the Consumer Policy Strategy 2002-2006: *A common high level of consumer protection*, *Proper enforcement of legislation* and *A stronger voice for consumers in policy making* remain valid as well as the target of integrating consumer interests in other policies. From our point of view this is of particular importance when it comes to standardisation policy and DG Enterprise.

We also agree with the identified challenges, in particular the impact Europe's ageing population will have on our society and the need for inclusiveness. For the sake of accessibility of products and services, ANEC believes that it is crucial to design products and services for as many people as possible by embedding the Design for All principle in the standardisation process so as to take into account the needs of older persons and persons with disabilities.

This said, in the analysis of the Commission's proposal ANEC misses an important factor for future societal change, namely the impact of new technologies. The penetration of modern technologies, such as Information and Communication Technologies (ICT) or nanotechnologies, into products and services is in the process of creating a new generation of consumer products.

ICT for instance has become a constitutive technology. It is not simply an enabling technology but shapes our practices and institutions in important ways. How the supply system, the health care system or public administrations will look like in 20 years is to a large extent defined by the ICT applications we choose for these domains. If inclusiveness, consumer protection, citizen centredness and privacy are to be more than empty promises, these values will have to be expressed in the design, architecture and specifications of the systems. If we want ICT to be safe, fair and inclusive, we have to ensure that they inherit our good intentions.

Regarding the four strands and specific actions envisaged for the consumer policy part of the programme (Annex 3), ANEC has the following comments:

- **Better understanding of consumers and markets**

While supporting the envisaged measures, ANEC believes that there is a need for much more consumer-oriented research, in particular with respect to risk assessment and safety of products and services.

ANEC appreciates the Commission's intention to improve the early detection, evaluation and communication of risks and the promotion of the safety of goods. For many years now, ANEC has called for a comprehensive and sophisticated Europe-wide data collection system on accidents and injuries in relation to product and service safety, taking into account the experiences with the EHLASS system and including cause of accident/injury. Such a system is needed so as to improve the knowledge base for consumer safety policy in the EU.

Finally, it is important for consumer representatives to have increased access to research and scientific evidence. This is of particular importance when arguing our case against a strong industry majority as this is often the case in standardisation.

- **Better consumer protection regulation**

ANEC appreciates the target of a more systematic use of standards in the context of the GPSD providing that there is an ex-ante assessment of European Standards introduced.

More importantly, ANEC welcomes the Commission's intention to examine how consumer interests are taken into account in standardisation and to identify improvement needs. This is of particular importance in light of the shift of standardisation to new policies such as the services sector and the environment. ANEC has elaborated ideas and proposals on how to improve the standardisation system (please see point Innovation of the standardisation system).

Services account for more than 70 % of the European economy and are of prime consumer concern. In contrast to the European system of product safety, which is based on two pillars with legislation (New Approach directives and the GPSD) on the one hand and voluntary safety standards on the other hand, there is no legal framework in the services sector. Hence, ANEC believes that there is a genuine need for an overarching legislative framework on safety of services at EU level to be underpinned by service specific standards.

- **Better enforcement, monitoring and redress**

ANEC welcomes the proposed actions since the best legislation or standard is of no use if not properly enforced.

In order to avoid double standards between the EU15 and EU10, it is important to establish a genuine European strategy for market surveillance, including minimum requirements to be met by Member States. The objective is to enhance collaboration and coordination of enforcement officers in EU Member States and the precondition is a genuine increase in resources both with national enforcement authorities and consumer organisations.

- **Better informed and educated consumers**

ANEC welcomes the Commission's intention to invest in the representation of the interests of Community consumers in international organisations, including international standardisation bodies. Improved representation of the European consumer view in international standardisation is indeed necessary, because increasingly standards are made at the international level due to the Vienna and Dresden agreements between ISO/IEC and CEN/CENELEC¹, whilst there is no overarching regulatory framework, nor institutionalised participation of consumers at a horizontal level.

Finally, ANEC fully endorses the Commission's proposal (Art. 3) to ensure sustainable financial support to consumer organisations at EU level as a precondition for effective integration of consumer issues in the EU standardisation process.

However, we believe that in addition, sustainable financial support for consumer participation in standardisation is also needed at the national level, in particular in the new Member States. The reason for this is that to date, voting on European Standards is done at national level.

- **Main streaming consumer interests and increasing consumer participation**

ANEC proposes to add mainstreaming of consumer interests and increasing consumer participation in EU policy making as objectives to the new Consumer protection programme. Mainstreaming consumer interests in EU standardisation policy and increasing consumer participation in standardisation require - in addition to the above mentioned – the following:

Innovation of the standardisation system and balanced representation

In light of the Commission's intention to extend standardisation to new policy areas, in particular the services area, and given that there is no legislative framework in which services standards can operate, ANEC believes that in addition to establishing such a framework, innovation of the European standardisation system is needed to ensure that the system is geared up to future tasks. In other words, the system developed for product safety has to be adapted to the needs of the services area. There is a lack of experts for services standardisation and a lack of information on safety, reliability, quality and performance benchmarks, all of which have to be addressed. ANEC is in the process of elaborating solutions for these needs.

For instance, to date the European Commission and the European Standards Bodies commit themselves to openness, transparency, consensus, coherence and full participation of stakeholders. Based on our longstanding experience, we believe that the concept of balanced representation needs to be added to this set of principles of European standardisation, preferably enshrined in the 98/34 Directive, which is due for revision and to be extended to services. The concept of balanced representation refers to fair and equal chances to influence the standardisation process.

¹ According to CEN and CENELEC statistics, 80 % of CENELEC standards and up to 40 % of CEN standards are based on international standards.

Opening of Comitology committees and transparent consultation procedures

ANEC calls for more transparency and accountability of the Comitology procedure. We reiterate our plea for opening-up the Member States Committees to consumer participation and to grant us access to documentation, such as the agenda, prior to meetings. It would facilitate and indeed enable better effectiveness if we were able to contribute to discussions and to attend the relevant meetings, for instance the Committee under the 98/34 Directive, which is dealing with standardisation mandates.

Experience shows, whenever there is a strong industry interest, consumer organisations are confronted with reduced or no access to information, documents and meetings. Therefore, we call for transparency in every phase of the consultation process, including feedback from the Commission on the input given by stakeholders during a consultation process as well as timeliness of consultation both in terms of sufficient response time and the right moment in the process, bearing in mind the Transparency Initiative of the European Commission.

Balanced representation in the consultation process (consumer organisations typically have scarce resources) should be enhanced by remuneration to consumer experts so as to cover the time consumer experts spend preparing for committee, panel or advisory body meetings.

Consumer Institute

The Commission's proposal for a new Health and Consumer protection programme envisages the establishment of a "Consumer Institute" within one single executive agency that is supposed to assist the Commission in implementing the joint programme and that will consist of an extended version of the existing Public Health Programme's executive agency. Unfortunately, little information is provided with respect to the role of the Institute besides the mentioning of data collection, research in support of Commission policies, education and training as well as dissemination of data and information.

Consumer organisations have strong concerns about this proposal due to the lack of clarity and more detailed information but also because of unfortunate experiences with "consumer institutes" at the national level where these have engaged in duplicating the work of independent consumer organisations.

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ANEC in brief - www.anec.org

ANEC is the European consumer voice in standardisation, representing and defending consumer interests in the process of standardisation and certification, also in policy and legislation related to standardisation. Our aim is a high level of consumer protection. ANEC was set up in 1995. We represent consumer organisations from the EU Member States and the European Free Trade Association (EFTA) countries. The European Commission and EFTA fund ANEC, while national consumer organisations contribute in kind. Our areas of priority are Child Safety, Design for All, Domestic Appliances, the Environment, the Information Society, Services and Traffic Safety.