

## Position Paper

# Public consultation on the Single Market Act ANEC response

28 February 2011

ANEC-SG-2011-G-007

### 1. Introduction

On 27 October 2010, the European Commission launched a public consultation of four months' duration on the 50 policy proposals of its Communication, "Towards a Single Market Act" (COM(2010) 608 final). See <a href="http://tinyurl.com/5w94vqn">http://tinyurl.com/5w94vqn</a>.

This document records the ANEC response to the consultation. It calls on various position papers developed by ANEC during the past 12 to 18 months.

### 2. Main text

### Type of organisation:

Consumer organisation

### Register ID number:

**•** 507800799-30

#### Country:

Belgium

### 1. What is your overall assessment of the Single Market Act?

Neutral

### Additional explanation

ANEC welcomes the acceptance of the Communication that it is as important to "reach out to consumers as players in the single market" as it is to business (and SMEs in particular).

ANEC regrets however that neither the Communication, nor the Monti Report, explicitly acknowledges that the demand for the products and services for SMEs throughout Europe will not be optimised without confident and empowered consumers. The focus of the Communication, and the proposed actions, rests very much on Europe's 20 million businesses rather than Europe's 500 million consumers. Hence we fear that the economic ambitions of the proposals will not be met, let alone the political desire to create a "people's Europe".

The Communication also fails to recognise the relative weakness of the societal partners - at both national and European level - compared with the economic partners. Unless decisions reflect a fair balance of interests, then the eclectic approach sought by the Communication to the relaunch of the single market will not be achieved.

Moreover, the success of the proposals rests on their monitoring and their enforcement. The background to proposal 47 finds both delay in the transposition of directives and a failure to implement directives identically in some Member States. Unless there is a greater will to take infringements actions against Member States, in the implementation of existing and future directives and other instruments, then the value of the single market will continue to be undermined.

### 2. The Single Market Act proposes 50 actions: please indicate the actions you consider to be the most important:

- 4. Internal market for services
- 6. Standardisation
- 10. Ecological footprint of products
- 11. Energy Efficiency
- 36. Social business

- 39. Product safety
- 17. Public procurement
- 47. National transposition of EU rules
- 48. Consultation and dialogue with civil society
- 25. Services of general economic interest (SGEI)

### If you wish, you can state the reason for your choice:

The preferences identified by ANEC reflect the scope of its activities (i.e. the representation of the European consumer interest in standardisation and in the shaping of European legislation and public policies related to consumer protection and welfare, especially where the latter is intended to be supported in its implementation by formal European Standards). Within this field of expertise, we consider these 10 proposals to be the most important.

### 3. Does the Single Market Act propose appropriate measures to address the issues/challenges that are identified?

Partly

### Additional explanation:

The proposals need to reflect a Europe growing older and there needs to be explicit recognition of vulnerable consumers in action plans. The intent in proposal 19 for procurement to be used to support environmental protection is welcome but there needs to be equal emphasis on use of procurement to promote e.g. an accessible built environment.

Proposal 6 is also key. Procurement directives - as well as product laws - encourage use of European Standards. We understand the Commission wants to make more use of standardisation as 'better regulation', and extend standards to services. But the European Standards Organisations are private and there is no reason for the public interest to be guaranteed. The Parliament, in its Resolution of October 2010, stated the need to strengthen the voice of societal representatives. Without such reform, neither standards nor the polices supported can automatically be considered inclusive or offering the highest levels of welfare practicable.

We welcome the intent of the Communication for environmental labelling to be made more ethical and accountable.

We welcome proposal 39 on improved co-ordination of market surveillance. Europe can seek the best standards and laws but both are worthless without effective surveillance. At present, there are too few common actions across Member States and too few resources committed. There is also too little communication between customs and surveillance authorities. But we regret the Communication does not address how the funding of improved surveillance activities will be considered. Many deficiencies were set out in the report 'Market Surveillance in Member States' prepared for the Parliament in 2009. The report confirms our view that Regulation 765/2008 will be insufficient alone in bringing about market surveillance that is better for consumer protection.

- 4. Are there any other issues you consider should be addressed in the Single Market Act in the chapter on "Strong, sustainable and equitable growth for business"?
  - No
- 5. Are there any other issues you consider should be addressed in the Single Market Act in the chapter on "Restoring confidence by putting Europeans at the heart of the single market"?
  - Yes

#### Which ones?

The chapter does not consider the needs of Older Europe. Accessibility needs to be at the heart of policy. The focus on "Think Small" must be extended to "Think Older, Think Vulnerable".

It is disappointing that reform of standardisation is in the first chapter. The economic impact of standards is not just competitiveness but growth and the wealth of society. Standards have a role to play in supporting economic and societal aims of laws and policy. But the Communication does not recognise that interests in the process do not have equal voice. Although development of European standards is open in principle, business has most to gain by achieving compliance of its products with the law and the expertise to participate. By contrast, the public interest is weak or non-existent in many countries. Indeed, the Access to Standardisation study (2009), for DG ENTR, found consumer interests are "only marginally represented in many countries".

The Communication ignores that efforts must be made to strengthen representation of societal interests at national level as a precursor to the balanced outcomes it wants, not only in standards but in all proposals relying on collective responsibility. Given this may only be possible in the very long-term in Member States, the Commission must give political (and financial) support to European-level associations.

It is also disappointing that proposals related to environmental protection and energy efficiency are not in the second chapter. There is need for ambitious actions at all levels of policy towards sustainability. We therefore welcome the upcoming review of the Action Plan on Sustainable Consumption and Production (SCP). There is need to address all aspects of sustainability and to tackle production and consumption. The strategy ought to be combined with target-setting in relation to resource efficiency and sustainability. In order to ensure leaner and cleaner production and provision of more sustainable products, existing measures ought to be strengthened and enforced (e.g. Ecodesign Directive and existing labelling schemes) and new ones developed (e.g. on green claims). The framework needs to rely on a mix of economic and legal instruments, complemented by voluntary actions. Given the importance of the revision to EU environmental goals, it is remarkable that it is not mentioned in the Communication.

### ANEC response to the public consultation

Proposal 39 does not address the funding of surveillance. Given surveillance is a responsibility of Member States, it is funded directly from national budgets. In a time of constraint, the financing of market surveillance will be of lower priority than those of higher electoral importance (e.g. schools, hospitals, pensions).

The Communication is silent on the need for Member States to ensure criminal sanctions punish and deter those who seek to place non-compliant products on the market.

As revision of the General Product Safety Directive will not see an extension of the directive to the safety of services, it is essential to complement the extension of the single market to services with a 'General Services Safety Directive' or similar. Only products used in service provision are covered by GPSD, provided they are operated by consumers. This lack of a framework for service safety and quality is of fundamental concern. Although the Directive on Services in the Internal Market has entered into force, it aims only at improving access to services, through the removal of barriers to business. It does not address safety of services and provides only voluntary measures to ensure quality of services Moreover, it does not cover some relevant consumer services, e.g. healthcare and financial services.

- 6. Are there any other issues you consider should be addressed in the Single Market Act in the chapter on "Dialogue, partnership, evaluation: the keys to good governance of the single market"?
  - No

### **APPENDIX – About ANEC**

### A.1 About ANEC

ANEC is the European consumer voice in standardisation, defending consumer interests in the processes of technical standardisation and conformity assessment as well as in related legislation and public policies. ANEC was established in 1995 as an international non-profit association under Belgian law and represents consumer organisations from 31 European countries. ANEC is funded by the European Union and EFTA, with national consumer organisations contributing in kind. Its Secretariat is based in Brussels.

ANEC has signed the European Commission's Register of Interest Representatives and accepted its Code of Conduct: Identification Number 507800799-30.

### A.2 Contact person at the ANEC Secretariat

Stephen Russell, ANEC Secretary-General.

More information about ANEC and its activities is available at www.anec.eu

Should you have any problems in accessing the documentation, please contact the ANEC Secretariat.

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