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*(Preparatory Acts)***ECONOMIC AND SOCIAL COMMITTEE****398th PLENARY SESSION, 26 AND 27 MARCH 2003****Opinion of the European Economic and Social Committee on 'Consumer education'**

(2003/C 133/01)

On 18 July 2002 the European Economic and Social Committee, acting under Rule 29(2) of its Rules of Procedure, decided to draw up an opinion, on 'Consumer education'.

The Section for the Single Market, Production and Consumption, which was responsible for preparing the Committee's work on the subject, adopted its opinion on 5 March 2003. The rapporteur was Mr Hernández Bataller.

At its 398th plenary session on 26 and 27 March 2003 (meeting of 26 March), the European Economic and Social Committee unanimously adopted the following opinion.

1. Introduction

1.1. Developing an adequate, effective consumer protection policy calls for a series of measures to safeguard consumer safety and welfare, particularly from an economic and health point of view. Key components of such a policy include the quality, composition and safety of goods and services, and the conditions under which they are manufactured and maintained; clear and accurate commercial communications and advertising; guarantees in contracts; protection of privacy; protection of the public interest; the gradual harmonisation of rules; the development of channels for co-regulation and the settlement of disputes out-of-court; and support for consumer organisations.

1.2. At the same time, European consumers need to be given the skills and knowledge that will enable them to operate in an increasingly complex, convergent and sophisticated market so that they can effectively exercise their rights, meet their responsibilities and benefit from all the possibilities and safeguards that the EU has provided to protect their interests. Consumer education is therefore essential if the consumer protection framework as a whole, and the single market and other policies, are to be applied and really work well.

1.3. The importance of consumer education is clearly enshrined in Article 153 of the EU Treaty, which calls on the Community to promote consumers' rights to information and education, and is also clearly linked to consumer protection in documents such as the Green Paper. Of course, the subsidiarity principle means that a large part of responsibility in the area of education falls on national, regional and local authorities. However, this does not mean that the issue cannot or should not be debated at Community level so that specific actions can be proposed to improve consumer education. This is particularly true given the progressive establishment of the single market and the problems associated with it, such as cross-border transactions, the European dimension of consumer rights, and the need for Member States to exchange experiences that could be useful to the EU as a whole. The development of joint consumer education policies is even more important in the light of imminent enlargement and the need to prepare citizens and consumer organisations in the candidate countries with specific programmes offering information and training on the European Community. Action on this is already under way and must be stepped up following accession by the new Member States.

1.4. For its part, in the explanatory memorandum of its Communication to the European Parliament, the Council, the Economic and Social Committee, and the Committee of the Regions on Consumer Policy Strategy 2002-2006⁽¹⁾, the European Commission points out the need for the general

⁽¹⁾ COM(2002) 208 final.

public to be given more information. To achieve the objectives of this new strategy, the Commission points out that 'more attention should be given to the education of consumers so that they can shop with confidence in the full knowledge of their rights'. The EESC believes that more information is also required concerning the price, quality and safety of goods and services, the way in which they are manufactured and other characteristics such as their environmental impact.

2. The importance of the 'educated consumer'

2.1. It is important for account to be taken of the considerable added value inherent in the concept of 'educated consumer' — as a necessary condition for becoming an 'informed consumer' — when guaranteeing adequate consumer protection. Whether descriptive or offering proposals, studies conducted in recent years on the situation of consumers in the EU tend to highlight the following:

- a) the need to increase consumer confidence so that they play a more active role vis-à-vis innovative products, become more involved in civil society organisations and benefit from the single market;
- b) the fact that information alone is not enough to instil the level of consumer confidence needed or to promote among people (both young people and adults) a critical and responsible attitude towards consumption.

2.2. With regard to confidence, it must be remembered that recent scandals in the food sector — both primary and industrial — have to a large extent undermined consumers' perception of safety. In addition to this, there is a great deal of uncertainty when it comes to assessing the quality and suitability of complex goods and services such as functional foods (novel foods), e-commerce and on-line banking services. Another example of this is the experience gained by the introduction of the euro, which has highlighted the need for greater efforts in the area of information and training, and the danger that insufficient information and training could create scepticism towards the single market. Education should therefore also be seen as an important part of overall consumer protection policy and a key factor in improving the public's confidence in and acceptance of the European Community system, underpinned by the chance to participate in and critically assess processes.

2.3. With regard to information, this is an essential part of consumer protection and the Commission's aim to develop 'a modern, efficient and reliable information policy' is therefore very fitting. However, it must be pointed out that, firstly, there are still many barriers that prevent consumers being given comprehensive information and, secondly, while information

is a crucial factor in restoring and generating consumer confidence, it is not enough. Consumer confidence is not achieved simply by increasing the quantity of information available, guaranteeing access to it, or even improving the quality of this information. People also need:

- a wealth of knowledge enabling them to take in, interpret, understand and assess information received, and adopt a standpoint on it. This includes, in particular, the basic rules on the functioning of the economy, the ethical and social dimension of consumption, models of sustainable consumption, solidarity, cohesion and integration, rights and duties as a consumer, etc.;
- a series of skills and resources enabling them to use both information and their own experience to take effective decisions that are in their best interests.

2.4. Information is merely the 'raw material' of communication. Access to information implies the existence of 'latent knowledge', but does not in itself guarantee the existence of a 'reasonably well-informed' consumer, according to the criteria adopted by the European Union itself. Information only truly benefits the citizen if the latter, through education, can understand this information and is motivated to use it to make decisions in a 'reasonably observant and circumspect' way, to again use the terminology found in the case law of the Court of Justice of the European Communities (CJEC).

2.5. Consumers need more than mere information if they are to be genuinely effective in their choice and use of goods and services. They should also be able to use and apply this information. Given the importance of consumption in the world today, consumers need skills if they are to be active citizens and fully participate in society.

3. Content and techniques of consumer education

3.1. From the point of view of content, consumer education must endeavour to give consumers a proper understanding of the various social, technical, legal and regulatory concepts associated with consumer protection, i.e.:

- a proper understanding of the composition of goods and services, the safety and quality criteria that apply to each product, the way products are used, consumed and maintained, and the associated costs. The more complex and sophisticated a product, the more important it is that scientifically correct and impartial information is provided. This is the case, for example, of what are known as novel foods, and IT or telecommunications;

- a proper understanding of commercial communication, in particular when distinguishing product information from the 'hype' of advertising or promotional material. One important aspect here is the fact that it is becoming increasingly difficult to properly identify commercial communication, as it is integrated more and more in other types of supposedly informative or recreational content, such as newsmaking, sponsorship, product placement, hidden or disguised advertising, etc.;
- a proper understanding of contract terms, many of which are increasingly complicated owing to the variety of options associated with increasingly personalised products. Telephony products, with their complex packages, tariffs and conditions, are a good example of an area in which training is needed;
- a proper understanding of consumer rights when bringing complaints through the various administrative, legal and out-of-court channels. Accordingly, only the existence of truly educated consumers can enable market self-regulation and co-regulation mechanisms to really work in the future, thus strengthening their position as market players.

3.2. From the technical point of view, it is important to develop educational tools and materials that are clearly designed to equip consumers with the knowledge and skills needed for action. These tools and materials should also be attractive, and motivate and catch the attention of potential users.

3.3. The possibilities offered by new technologies are an important factor in meeting this objective, as they provide virtual as well as real training. On-line interactive education through the Internet and e-mail (e-learning), audiovisual material (CDs) and digital means of communication are all instruments offering more than traditional media (e.g. magazines, publications, press, radio, television). However, this also requires more decisive policies to better equip and train people to use these new technologies.

3.4. Consumer education should also take account of essential differences between different sectors of the population, in particular with regard to age and education.

3.4.1. Consumer education in schools should therefore be approached through regulated teaching channels, even if complementary initiatives are also introduced in the area of informal teaching. It is important for programmes and projects to be developed to improve cooperation between national and local authorities in the area of education, improve cooperation

between centres, and increase the involvement and motivation of school children, for example through awareness-raising measures. Finally, one must not of course forget to train teachers of all disciplines in consumer-related issues so that these issues can be integrated — through specific teaching modules — into education across the board.

3.4.2. Consumer education initiatives should also be extended to higher education and specialised training, in order to open up training to even more people. It is therefore essential that universities are involved, by including consumer issues on curricula (whether as a core, horizontal or optional subject) and specifically devising teaching modules, materials and tools for students following education or training.

3.4.3. Finally, one should not forget the importance of both adult education and ongoing training, which should also be extended to other types of consumers who have no contact with school or academic life. A special effort must be made to devise practical training materials and tools that address everyday problems. Consumer associations and other social organisations would seem to be the most effective channels for distributing these materials in a decentralised manner. Account must also be taken of the need to reach the most vulnerable consumer groups and those whose personal circumstances bring a special need for protection and training with regard to the single market, the new scenario of technical convergence, and innovations in the bio-food sector. There is a particular need for education targeting the following groups:

- immigrants, so that they are fully aware of their rights and duties as citizens and, in particular, as consumers throughout the European Union, thus making it easier for people to move to another Member State in pursuit of employment or professional advancement;
- young people who are not in higher education and who can be best reached via youth associations in the various Member States.

4. The educational role of consumer associations

4.1. According to the aforementioned Commission Communication on Consumer Policy Strategy 2002-2006, one of the objectives of the new strategy is the 'proper involvement of consumer organisations in EU policies'. Particular attention should be paid to training the staff of these organisations in specific aspects such as cross-border transactions, financial services and the rights of EU consumers in the internal market.

4.2. In early 2002, the Commission launched a project entitled 'Preparation of training actions for personnel of consumer organisations', which comprises an initial phase for preparing material and training trainers, followed in 2003 by courses organised for the aforementioned personnel.

4.3. The Committee believes that training designed for consumer associations should not have solely internal objectives such as optimising management, strengthening their position, structure and capacity, lobbying effectively on behalf of consumers, participating in the drafting of EU policies and consolidating their position as market players in organising demand.

4.4. The role of consumer associations in developing training strategies should also be targeted at consumers in general, as they play an important role in giving citizens advice and helping them solve their problems.

4.5. Consumer organisations could therefore, with the appropriate support, do more than provide advice, or merely disseminate and distribute training materials and tools designed by experts or within the EU institutions. They could also play a fundamental role as active training providers for consumers in general. Their high level of credibility and contact with the public make them a very effective channel for disseminating and raising awareness of Commission initiatives and this must also be used and taken into account in the area of consumer education. For this 'knock-on effect' to work, consumer association members must be made a prime target of the Commission's training actions, so that by 'training trainers' consumer education can become a reality in the EU.

5. Specific comments

5.1. A greater effort should be made to design schemes that complement current initiatives and are aimed at both school-age children and consumers involved in adult education. Initiatives also need to be publicised in order to raise awareness of them.

5.2. Consumer education initiatives must also be extended to higher education and specialised education, by involving universities and designing materials and tools especially for such students.

5.3. Neither must one forget the importance of ongoing training, which offers the possibility of training to other types of consumers who have no contact with school or academic life. A special effort must therefore be made to devise practical training materials and tools that address everyday problems. Particular account must also be taken of particularly vulnerable consumer groups and those with a special need for practical guidance in this single, convergent and increasingly technological market.

5.4. Consumer organisations should be given Commission support enabling them to play a fundamental role in educating people, as they are a very effective channel for disseminating training content and enjoy a high level of credibility and contact with the public.

5.5. The Commission should therefore give greater economic support to consumer organisations' projects in this area, in particular transnational projects that have the added value of a European dimension.

6. Conclusions

In view of the above, it can be concluded that now would be a good time to develop the following actions at Community level:

6.1. to organise and give impetus to the work of a group of permanent experts, comprising education professionals with an in-depth knowledge of consumer affairs, who can systematise on an ongoing basis the work carried out in each country and draw up the reports needed to further apply the Treaty of Amsterdam with regard to consumer education;

6.2. for the Commission to present a plan to consolidate European networks that promote consumer education, through significant and ongoing projects;

6.3. to set up a database including all the schemes that have been financed by the Commission in recent years and, if appropriate, the most significant schemes conducted in the Member States, in such a way that it can be consulted by other countries (including the candidate countries) and can foster an attitude of cooperation, dissemination and dynamism that promotes consumer education;

6.4. to study the possibility of setting up a virtual school of consumer education, drawing on new technologies and the experience already gained by different countries in this area. Account should also be taken of experience gained from education at European level in the various stages of education, e.g. the Erasmus project;

6.5. to develop Commission proposals that:

— help make consumer education widely available so that

all European citizens can be educated and trained as consumers, as is their right and duty;

- enable educational actions to be coordinated more effectively and proper educational material to be drawn up, including the use of the Internet, so as to take account of the different characteristics of European consumers;
- provide training for trainers, adult consumers and vulnerable groups;
- ensure that the members of consumer organisations and other consumer bodies and institutions are given high-quality ongoing training.

Brussels, 26 March 2003.

The President

of the European Economic and Social Committee

Roger BRIESCH

Opinion of the European Economic and Social Committee on ‘Simplification’

(2003/C 133/02)

On 18 July 2002 the European Economic and Social Committee, acting under Rule 29(2) of its Rules of Procedure, decided to draw up an opinion on ‘Simplification’ (Single Market Observatory).

The Section for the Single Market, Production and Consumption, which was responsible for the Committee’s work on the subject, adopted its opinion on 5 March 2003. The rapporteur was Mr Simpson.

At its 398th plenary session on 26 and 27 March 2003 (meeting of 26 March), the European Economic and Social Committee adopted the following opinion with 81 votes in favour and two abstentions.

1. Introduction

1.1. When presenting the programme of the current Commission to the European Parliament in February 2000⁽¹⁾, President Romano Prodi identified ‘the promotion of new forms of governance’ as one of the four strategic objectives of this Commission’s term of office. This included a greater degree of openness on the part of the Commission, simplifying the body of Community law and reducing its volume, the better involvement of civil society in the legislative process and developing connectivity through networking. The objective of these measures, in toto, was to achieve better law-making. However, the Commission recognised that it could not act alone in this endeavour.

1.2. Since October 2000, the European Economic and Social Committee (EESC) has issued three Opinions⁽²⁾ on the subject of simplifying and improving the regulatory environment of the European Union, reflecting the importance that it attaches to this topic. One of these Opinions⁽³⁾ was prepared at the instigation of the President of the Commission, Romano Prodi. The EESC has also issued an Opinion on the Commission’s 2002 Review of the Internal Market Strategy⁽⁴⁾ that dealt, inter alia, with simplification issues and recognised their quintessential importance to the completion of a true Internal Market.

⁽²⁾ OJ C 14, 16.1.2001, OJ C 48, 21.2.2002 and OJ C 125, 27.5.2002.

⁽³⁾ OJ C 125, 27.5.2002, p. 105.

⁽⁴⁾ OJ C 241, 7.10.2002.

⁽¹⁾ COM(2002) 705 final.