

EUROPEAN ECONOMIC AREA
STANDING COMMITTEE
OF THE EFTA STATES

4/CC/W/001
1 Annex
18 December 1996
Brussels

EFTA CONSUMERS' CONSULTATIVE COMMITTEE

Comments on the Green Paper on Commercial Communications

1. The EFTA Consumer Consultative Committee would like to give the following comments on the Green Paper on commercial communications:
2. In general, the EFTA-CCC finds the Green Paper rather imbalanced. The document is for the most part in favour of the perspective of the supply-side and only to a limited extent to the consumers. In EFTA-CCC's opinion there will always be a need for regulations to make the market well-functioning. Without regulations to balance the powers of the market the consumers inevitably will be the losers, and bear the costs of an ill-functioning market.
3. The Green Paper more or less looks upon regulations meant to protect consumers as obstacles to free trade, a view which is unacceptable to consumers.
4. Furthermore, the Green Paper does not discuss important consumer problems connected to commercial communications such as advertising and children, food advertising (food claims), environmental claims and tobacco and alcoholic beverage advertising.
5. From our point of view the Green Paper also exaggerates the obstacles national legislation creates for commercial communication. It is not documented that present national regulations create problems as such and the paper pays little attention to different traditions in national regulation. In many countries there are strict rules about certain forms of advertising which are strongly supported by the vast majority of consumers.
6. In our opinion there is a need for a framework of consumer protection in cross border transactions on such issues as guarantees, financial services, distance selling etc.. The Green Paper does not seriously address these points. Today consumers have little protection on cross-border transactions in spite of the fact that there exists national legislation which offers good protection on national level. Effective transborder redress systems for consumers are therefore an essential requirement for the well-functioning of the Single Market, commercial communications included.

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7. The Green Paper suggests establishing a special committee to vet all proposals for national and European regulations concerning commercial communication. In effect, this committee will be bypassing the European Parliament in the decision-making process. It is difficult to understand the reason for justifying why commercial communication merits such special treatment compared to other sectors where there are no such structures.

8. The EFTA-CCC acknowledges the need for harmonised legislation in the commercial communication sector. However, the Green Paper is a step in the wrong direction. In our opinion what is really needed is a regulatory framework to protect the consumers against the dangers which might emerge in this sector.

9. In other respects the EFTA-CCC supports the opinion of BEUC whose comments on the Green Paper you will find attached.

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