Consumer protection: indication of prices of products offered to consumers

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According to the text of the proposed directive, as amended by the committee (Amendment 1), "transparent operation of the market and correct information can be of benefit to consumer protection and healthy competition between enterprises and products". However, there was some concern in the committee that the obligation to introduce unit pricing alongside the actual price would prove too costly for small shopkeepers. The proposal will involve the repeal of the following existing legislation on pricing: Council Directives 79/581/EEC, 88/314/EEC and 88/315/EEC and European Parliament and Council Directive 95/58/EEC. According to the text amended by the committee (Amendment 29), the purpose of the Directive is to stipulate indication of the selling price and the price per unit of products customarily marketed and offered for retail to final consumers with their price expressed by unit weight, measure or number or per item so as to facilitate comparison of prices, wherever such comparison is relevant. Selling price (Amendment 31) means the final price for a given quantity of a product, including VAT, all other taxes and the costs of all services which the consumer is obliged to pay for in addition. Unit price (Amendment 31) means the final price (including VAT, all other taxes and the costs of all services which the consumer is obliged to pay for in addition) for one kilogram, one litre, one square metre or cubic metre of the product or any other quantity which is widely and customarily used in the Member States in the marketing of specific products. However, Member States may waive the obligation to indicate the unit price of products for which this is not meaningful because of the products' nature or purpose (Amendment 16). According to amendment 38, "the selling price and the unit price shall be indicated on the product offered for sale or on the shelf where the product is located, in such a manner as to be clearly legible for the consumer. In small retail businesses the price many also be indicated on a price list displayed in a prominent place in the shop." The committee also adopted an amendment (amendment 11) extending certain provisions of the proposed directive to any type of advertising in which a price is indicated. CONCERN OVER COST TO SMALL SHOPS in a concession to worries from small businesses about the cost of the new system, the committee adopted a recital (amendment 28) to the effect that it was "essential that, before this directive enters into force, the Commission should draw up, in collaboration with national governments and relevant organizations, an accurate statement of the cost of its full implementation to retail businesses, especially in the small and medium-sized sector". In amendment 45, the committee extended by two years, to 2003, the deadline for the introduction of unit pricing in small businesses where it was likely to constitute an excessive burden or where it was impracticable. Moreover, according to amendment 17, the Commission must grant financial aid to small retailers for information campaigns and brochures. TRANSITION TO A SINGLE EUROPEAN CURRENCY The committee adopted two amendments (4 and 15) concerning the forthcoming introduction of a single European currency. According to these, in the transitional period following introduction of the single currency, when prices have to be indicated in both the national currency and the single European currency, the following three prices must be displayed by the shopkeeper: * the selling price in the national currency; * the selling price in the single currency; * the unit price in the single currency. There would be no need, therefore, to display the unit price in the national currency.