Basic information

2013/2153(INI) INI - Own-initiative procedure	Procedure completed
Consumer protection - Protection of consumers in utilities services **Subject** 2.40.02 Public services, of general interest, universal service 4.60.06 Consumers' economic and legal interests	

Key players

European Parliament	**Committee responsible**	**Rapporteur**	**Appointed**
	IMCO Internal Market and Consumer Protection	WEIDENHOLZER Josef (S&D)	18/06/2013
		Shadow rapporteur GÁLL-PELCZ Ildikó (PPE) SCHMIDT Olle (ALDE) HARBOUR Malcolm (ECR) HÄNDEL Thomas (GUE/NGL) SALVINI Matteo (EFD)	

European Commission	**Commission DG**	**Commissioner**
	Health and Food Safety	MIMICA Neven

Key events

Date	Event	Reference	Summary
12/09/2013	Committee referral announced in Parliament		
03/03/2014	Vote in committee		
10/03/2014	Committee report tabled for plenary	A7-0163/2014	Summary
15/04/2014	Decision by Parliament	T7-0342/2014	Summary
15/04/2014	Results of vote in Parliament		
15/04/2014	End of procedure in Parliament		

Technical information	
Procedure reference	2013/2153(INI)
Procedure type	INI - Own-initiative procedure
Procedure subtype	Annual report
Legal basis	Rules of Procedure EP 55
Other legal basis	Rules of Procedure EP 165
Stage reached in procedure	Procedure completed
Committee dossier	IMCO/7/13387

Documentation gateway

European Parliament

Document type	Committee	Reference	Date	Summary
Committee draft report		PE522.759	07/11/2013	
Amendments tabled in committee		PE524.871	10/12/2013	
Committee report tabled for plenary, single reading		A7-0163/2014	10/03/2014	Summary
Text adopted by Parliament, single reading		T7-0342/2014	15/04/2014	Summary

European Commission

Document type	Reference	Date	Summary
Commission response to text adopted in plenary	SP(2014)470	25/09/2014	

Consumer protection - Protection of consumers in utilities services

2013/2153(INI) - 10/03/2014 - Committee report tabled for plenary, single reading

The Committee on the Internal Market and Consumer Protection adopted an own-initiative report by Josef WEIDENHOLZER (S&D, AT) on consumer protection – protection of consumers in utilities services.

The report stressed the need for consumers to have access to **affordable and high-quality utility services throughout the EU**, given that such services are essential for **ensuring social and territorial cohesion** while contributing to European economic competitiveness. Access to utility services should be facilitated for all consumers, irrespective of their financial circumstances.

Enhanced consumer information regarding utility services is needed and the Member States should have the necessary flexibility to take **vulnerable consumers** into account.

Members noted that some aspects of basic consumer rights are covered by Directive 2011/83/EU on consumer rights and that the common characteristics of utility services are outlined in the relevant **sectoral legislation**.

The Commission and the Member States are called upon to pay more attention to, and invest more in, **consumer information** and education campaigns in the context of utility services that target the right messages at the right consumer segment.

The report focused on the **four major sectors** which in recent years have been liberalised integrated to a large extent into the internal market:

Energy: Members believed that an open, transparent and integrated internal energy market is needed by 2014 and called on the Member States properly to transpose, apply and better monitor the third internal energy market package. They pointed out the need for enhanced consumer information, in particular with a view to improving the services offered, and allowing for the **comparability and transparency of tariffs**, hence achieving non-discriminatory pricing, whilst taking into account the various factors and situations linked to energy and vulnerable consumers.

The report regretted that current energy prices **do not necessarily factor in external costs**, namely the environmental damage associated with a given energy source or production method, which may nevertheless be passed on to society as a whole in the long run. Members called for measures to encourage greater price transparency for consumers in this regard.

Recalling that smart grids allow consumers to observe and adapt their energy consumption, the report pointed out that some of the cost-benefit analyses that have been conducted by Member States give no indication of substantial cost savings for consumers. The use of smart meters must remain the **choice of the consumer**.

Telecommunications: the report stressed that the consumer aspect of the digital single market and the electronic communications sector is of utmost importance, and called for all consumers to have **high-quality electronic communications services**. It also stressed the importance of deploying **new infrastructures** in order to narrow the digital divide. Members:

- reiterated their proposals to make it easier for **customers to switch electronic communication service providers** without additional fees other than the actual switching cost, without loss of data and with a minimum of formalities;
- supported proposals to promote **independent information** on pricing, billing and service quality, including data speeds.

Postal services: the report stressed that more delivery options and better transparency, information and prices are preconditions for increasing consumers' confidence in the delivery market.

The Commission noted that Directive 97/67/EC, as amended by Directives 2002/39/EC and 2008/6/EC, ensures that postal services provide a universal service. The Commission should ensure that this guarantee is fulfilled by the Member States. Postal services operators should be encouraged to **improve interoperability** and to accelerate the roll-out of streamlined processes aimed at reducing costs, increasing the availability and quality of delivery services.

Members reiterated the suggestions made in Parliament's recent report on parcel delivery on the need to assist service improvements and reduce costs, in particular to meet the needs of online consumers and retailers in a better way. They welcomed the introduction of flexible delivery and return options and called for further incentives to improve interoperability and the quality of services.

Public transport: the report emphasised that consumers with access to efficient local public transport should be targeted, regardless of whether they reside in areas where such service could be less profitable. Members States are invited to take the appropriate action in this respect.

Members pointed out that, as a result of an ageing population, efficient public transport services will gain in importance in the future, and that they are also essential if the Europa 2020 climate objectives are to be achieved. They called for: (i) the development of common tools to ensure optimised **multimodality** in efficient, high-quality public transport services; (ii) a **holistic approach** with regard to elderly people and people with limited mobility.

Consumer protection - Protection of consumers in utilities services

2013/2153(INI) - 15/04/2014 - Text adopted by Parliament, single reading

The European Parliament adopted by 588 votes to 21, with 68 abstentions, a resolution on consumer protection – protection of consumers in utilities services.

The resolution stressed the need for consumers to have access to **affordable and high-quality utility services throughout the EU**, given that such services are essential for **ensuring social and territorial cohesion** while contributing to European economic competitiveness. Access to utility services should be facilitated for all consumers, irrespective of their financial circumstances.

Enhanced consumer information regarding utility services is needed and the Member States should have the necessary flexibility to take **vulnerable consumers** into account.

Members noted that some aspects of basic consumer rights are covered by Directive 2011/83/EU on consumer rights and that the common characteristics of utility services are outlined in the relevant **sectoral legislation**.

Pointing out that consumer protection is effective only if consumers' rights can be enforced, Parliament called on the Member States to implement fully the provisions of the Unfair Commercial Practices Directive (2005/29/EC), the Directive on Misleading and Comparative Advertising (2006/114/EC) and the Consumer Rights Directive (2011/83/EU), the alternative dispute resolution (ADR) (2013/11/EU) and Regulation (EU) No 524/2013 on online dispute resolution (ODR).

The Commission and the Member States are called upon to pay more attention to, and invest more in, **consumer information** and education campaigns in the context of utility services that target the right messages at the right consumer segment.

Stressing the fundamental role of **customer service** on behalf of utility service providers, Members encouraged utility service providers to train their employees accordingly and ensure that all customers have easy access to personalised assistance at all times.

The resolution focused on the **four major sectors** which in recent years have been liberalised integrated to a large extent into the internal market:

(1) Energy: Parliament believed that an open, transparent and integrated internal energy market is needed by 2014 and called on the Member States properly to transpose, apply and better monitor the third internal energy market package. It pointed out the need for enhanced consumer information, in particular with a view to improving the services offered, and allowing for the **comparability and transparency of tariffs**, hence achieving non-discriminatory pricing, whilst taking into account the various factors and situations linked to energy and vulnerable consumers.

The resolution regretted that current energy prices **do not necessarily factor in external costs**, namely the environmental damage associated with a given energy source or production method, which may nevertheless be passed on to society as a whole in the long run. Members called for measures to encourage greater price transparency for consumers in this regard.

Recalling that smart grids allow consumers to observe and adapt their energy consumption, the resolution pointed out that some of the cost-benefit analyses that have been conducted by Member States give no indication of substantial cost savings for consumers. The use of smart meters must remain the **choice of the consumer**.

(2) Telecommunications: the resolution stressed that the consumer aspect of the digital single market and the electronic communications sector is of utmost importance, and called for all consumers to have **high-quality electronic communications services**. It also stressed the importance of deploying **new infrastructures** in order to narrow the digital divide. Parliament:

- reiterated their proposals to make it easier for **customers to switch electronic communication service providers** without additional fees other than the actual switching cost, without loss of data and with a minimum of formalities;
- supported proposals to promote **independent information** on pricing, billing and service quality, including data speeds.

(3) Postal services: Parliament stressed that more delivery options and better transparency, information and prices are preconditions for increasing consumers' confidence in the delivery market.

The Commission noted that Directive 97/67/EC, as amended by Directives 2002/39/EC and 2008/6/EC, ensures that postal services provide a universal service. The Commission should ensure that this guarantee is fulfilled by the Member States. Postal services operators should be encouraged to **improve interoperability** and to accelerate the roll-out of streamlined processes aimed at reducing costs, increasing the availability and quality of delivery services.

Members reiterated the suggestions made in Parliament's recent report on parcel delivery on the need to assist service improvements and reduce costs, in particular to meet the needs of online consumers and retailers in a better way. They welcomed the introduction of flexible delivery and return options and called for further incentives to improve interoperability and the quality of services.

(4) Public transport: Parliament emphasised that consumers with access to efficient local public transport should be targeted, regardless of whether they reside in areas where such service could be less profitable. Members States are invited to take the appropriate action in this respect.

Parliament pointed out that, as a result of an ageing population, efficient public transport services will gain in importance in the future, and that they are also essential if the Europa 2020 climate objectives are to be achieved. It called for: (i) the development of common tools to ensure optimised **multimodality** in efficient, high-quality public transport services; (ii) a **holistic approach** with regard to elderly people and people with limited mobility.