

PUBLIC CONSULTATION ON INFORMATION PROVIDED TO CONSUMERS ABOUT CHARACTERISTICS OF FURNITURE PRODUCTS

- COMMENTS OF INDEPENDENT RETAIL EUROPE -

24 FEBRUARY 2014



In the context of the public consultation on information provided to consumers about characteristics of furniture products I would like to provide you with the experiences gained by our membership on issues related to consumer information.

RESPONSIBILITY FOR COMPLIANCE WITH CONSUMER INFORMATION RULES

In food and non-food product safety legislation, consumer information elements are always present in the form of labelling requirements. In EU legislation in these fields (1), responsibility for labelling, and its accuracy, are clearly split between manufacturers/importers and distributors.

In any future legislation on this subject matter, the responsibilities of business operators must continue to be clear. Clarity is achieved by strictly limiting the responsibility of business operators to the activities under their direct control. Hence a distributor must not be held liable for the accuracy of a label that is placed on a product by a branded goods manufacturer.

To be legally consistent, any future labelling requirements for furniture products must adhere to this legislative model. The existing EU legislative model clarifies which business operators in the supply chain are responsible for ensuring compliance with consumer information rules. This concept, which we support, is known as "differentiated responsibility".

CONSUMER PROTECTION

Any future legislation in this field must be fully harmonised in line with the above-mentioned legislative model. Consumer protection would be undermined if Member States were permitted to attach responsibility to only distributors for ensuring compliance with labelling rules. This is because the regulatory incentive on manufacturers, the part of the supply chain best able to ensure and verify compliance with labelling legislation, would be reduced as all compliance burdens would be moved to a different part of the supply chain.

INTERNAL MARKET

The internal market will be damaged if divergent interpretations of "responsibility" in labelling legislation would exist. This point has already been recognised by the Commission's Retail Market Monitoring Report (2) and reinforced by former Commissioner John Dalli on 8 June 2010 when he stated in the Council that: "It is unacceptable that businesses who do not affect [food] information are penalised for mistakes in [food] labels, simply because the operator who is really responsible is located in another Member State. Such practices could drive [food] retailers to favour domestic suppliers".

Regarding the precise consultation questions, our company members will respond separately as company specific input is required.

⁽¹⁾ For example on i) the marketing of animal feed ii) toys iii) cosmetics iv) general product safety and v) the framework decision on the marketing of products.

⁽²⁾ This report noted the barriers to trade arising from "different national regulatory frameworks", specifically citing the example of responsibility for food labelling in its accompanying Commission Staff Working Document.

Established in 1963, **Independent Retail Europe** (formerly UGAL – the Union of groups of independent retailers of Europe) is the European association that acts as an umbrella organisation for the main groups of independent retailers in the food and non-food sectors.

Independent Retail Europe represents retail groups characterised by the provision of a support network to independent SME retail entrepreneurs; joint purchasing of goods and services to attain efficiencies and economies of scale, as well as respect for the independent character of the individual retailer.

Our members are groups of independent retailers, associations representing them as well as wider service organizations built to support independent retailers.

Independent Retail Europe represents over 355,000 independent retailers, who manage more than 545.000 sales outlets, with a combined retail turnover of more than 641 billion euros and generating a combined wholesale turnover of more than 320 billion euros. This represents a total employment of more than 5.000.000 persons.

More information about Independent Retail Europe under <u>www.independentretaileurope.eu</u>