THE VOICE OF BUSINESS IN EUROPE

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## UNICE POSITION ON HOW TO BEST PROMOTE/ORGANISE DIALOGUE BETWEEN THE BUSINESS COMMUNITY AND CONSUMER ORGANISATIONS AT EUROPEAN LEVEL

In December 1996, UNICE and the European Commission's Directorate-General for Health and Consumer Protection (former DG XXIV) jointly organised a conference on the theme of dialogue between business and consumers in Europe. The objectives of the conference were to review the experiences of business and consumers in this area in order to formulate recommendations and avenues for future action to further improve this dialogue.

Since then, UNICE has been actively involved in discussions with both the Commission and consumer organisations to explore how best to bring business and consumers closer together at European level, following some of the positive experiences in Member States.

One of the conclusions was that it is appropriate to strengthen and encourage dialogue between business and consumers at European level, complementary to the dialogue at national level. There is no culture of dialogue between consumers and business at European level yet which underlines the need for a pragmatic approach allowing gradual progress instead of trying to institutionalise the dialogue at European level prematurely and force a dialogue between stakeholders who perhaps are not fully equipped for it.

This is especially relevant in the current debate on alternatives to regulation where the concept of coregulation or negotiated agreements between stakeholders is being suggested as one of the predominant ways forward to drive policy objectives in Europe.

Against the background of this debate UNICE takes the following position which it wants to discuss with other stakeholders as well as the public institutions to help move the debate forward:

## 1. <u>UNICE FAVOURS A POLICY WHICH ENCOURAGES BUSINESS AND CONSUMERS TO WORK TOGETHER TO CREATE</u> <u>A TRULY OPERATIONAL SINGLE MARKET</u>

UNICE believes that dialogue between the business community and consumer organisations at European level can help here, especially in an area as close to both business and consumers as the creation of one European internal market. Previous experience has taught that dialogue can only help here provided it is used:

- to create a better understanding of issues of common interest to business and consumers across the EU through more regular information-sharing and consultation involving both business and consumers;
- to seek agreement on how best to manage a specific issue at EU level;
- as a complement to legislation, for instance to clarify interpretation of existing EU legislation or, when necessary, to prepare future legislation or amend it.

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UNICE believes that much more could be done to bring consumers and business together to consult on new policy proposals or legislative initiatives prior to their launch. The involvement of stakeholders at an early stage could help focus on the source of concern. This consultation process should trigger a more regular dialogue between consumers and business, which, in turn, will create a European culture for more dialogue between consumers and business.

In particular, UNICE would like to see the Commission supporting and resourcing "havens" for open, collaborative debate. In particular, we would like to see:

- $\Rightarrow$  A consumer/business exchange day to supplement the annual consumer assembly.
- $\Rightarrow$  Promotion of dialogue between consumer and business groups further discussion between the CC and industry.
- ⇒ More structured discussions round-tables and working groups during pre-legislative discussions and legislative review.

## 2. <u>UNICE'S VIEWS ON THE USE OF DIALOGUE</u>

UNICE believes that, for consumer policy and legislation, we should not adopt the approach currently used for social policy and legislation. The social dialogue at EU level is a fully structured and autonomous process of the social partners which should not be confused with, or subsumed in, the general consultation methods of the Commission. In addition, in the context of the Treaty's social chapter, the social partners have a role and responsibilities which cannot be generalised to other policy areas or actors. Ultimately, the policy objectives and legislation in the consumer policy field should remain the responsibility of the EU institutions which have been mandated for that purpose.

UNICE recognises that, on specific issues, co-regulation may offer complementary tools to traditional legislation and that dialogue could have a place in its development. However, we consider that this will only be effective in very specific cases where representative stakeholder organisations can be mandated to act on behalf of their constituents. UNICE would be concerned about any new structure which formalised the results of any dialogue in the consumer field within a general framework that relied on comitology procedures. While these frameworks may be appropriate for technical issues, they are not where politically sensitive issues are at stake.

Finally, UNICE considers that care should be taken to ensure that the development of new regulatory models or new dialogue structures does not diminish the results of other dialogues or undermine industry's involvement and investment in self-regulatory schemes. Ways to improve the effectiveness of self-regulation should be considered before embarking on any new initiative.

## 3. <u>How to organise dialogue</u>

UNICE believes that whatever the content of a dialogue, it is vital that the process is transparent, clearly understood by all parties and well managed. In this context, it is worth highlighting that:

- Each dialogue should be issue-oriented; it is important to define clearly and to limit the scope of each subject to be discussed. The subjects for dialogue at European level should always be determined by mutual agreement between representatives of business and of consumers.
- Representatives of the business community and/or commerce and consumers should have expertise in the subject; this also implies that product-related or sector-related issues will have to be managed essentially by the organisations representing the sector concerned.

- Each dialogue should lead to key conclusions or proposals. That is why all parties to the dialogue should not only agree on the subject for dialogue but also seek agreement on the objectives and agree on the success criteria before initiating any dialogue.
- The Commission should be involved in order to manage the process and facilitate the dialogue.
- A follow-up mechanism should be established to ensure the correct implementation or execution of results achieved through dialogue.
- The whole process triggering the dialogue should be based on a bottom-up approach, which means that subjects for dialogue should be presented by, for instance, UNICE member federations or European sectoral or consumer organisations.
- The partners for dialogue should be composed of organisations which are representatives of the interests they defend and have a mandate to act at European level.

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