

NORWAY

Annual Report on Consumer Policy Developments 2001

1. Institutional developments

No major institutional amendments were made during 2001.

2. Advertising and marketing practices

The Consumer Ombudsman (CO) <http://www.forbrukerombudet.no> is an independent administrative body responsible for enforcing of the Marketing Control Act as well as certain parts of the regulatory framework governing advertising in broadcasting.

In 2001, the CO has given supervision of marketing practices as well as contract terms on the Internet high priority. One particular problem area is described below under 3. Electronic commerce.

Unwanted advertising and questions concerning collection of personal data for marketing purposes has been an important issue this year. A main reason for this is new legislation on use of personal data and questions concerning collection of personal data and the right of consumers to protect themselves against unwanted advertising. The legislation focuses the consumer's right to decide the extent of intrusion into his personal era. To the extent that personal data is collected for marketing purposes, or as part of a contract (as would be the case if personal data were required in order to obtain a membership in a book club), this also involves the Marketing Control Act.

However, experience is that numerous businesses fail to observe this. The Consumer Ombudsman has therefore given high priority to making these provisions known to the public and businesses, and tried to ensure that the provisions are lived up to.

The CO has, furthermore, given particular attention to the rights of airline passengers, financial services, electricity and advertising directed at children.

The Consumer Council participated in a Nordic project on air passengers right in relation to delays and cancellations.

A major issue for the Consumer Council has been the principle of the binding nature of advertisements. The Council wishes this principle to be established clearly in legislation, nationally and on EU level.

3. Electronic commerce

The Norwegian Government recognises that three basic pre-requisites: *access, competence and confidence* are vital in order to achieve an information society for all. The latter includes the issue of consumer trust in electronic commerce. A policy for the information society is outlined in the eNorway Action Plan. "eNorway" ensures that Norway has equally ambitious objectives as those formulated by the EU in the eEurope Action Plan. "eNorway" is an operative plan, which describes *where we are, what needs to be done, who is responsible and when actions are to be implemented*. The first version was launched in June 2000. It is to be revised every 6 months (so far in December 2000 and June 2001), with unadorned progress reports issued on the individual actions.

In a dynamic market, policy built on self-regulation is an important supplement to the regulatory framework. Surveys show that consumers still lack confidence in e-commerce. The national Consumer

Council and representatives of businesses have established a voluntary and independent label, Nsafe, that guarantees consumers in the electronic marketplace a certain level of protection. During 2001 the Consumer Council has had a revision of the guidelines for this label.

The Consumer Ombudsman has started work on elaborating guidelines for advertising on the Internet. During 2001 businesses were hit by falling income from advertising on the Internet. This again triggered the creativity of designing new types of Internet advertising. One of the online newspapers introduced a new “roller” add, where the advertisement suddenly was pulled down to cover the editorial content one was reading. We sent a letter to the online newspaper, questioning this practice and it’s lawfulness, this being a very “pushy” advertising method. Based on this case, and the debate that arose in the media because of it, a new working group was established. This group is well started on its mission to make guidelines for advertising on the Internet, including new methods and trends sparked off by the mentioned roller add.

Commerce via new mobile telephone technology seems to be expanding, and the Consumer Council has been looking into problems related to right of withdrawal (“cooling off period”, information about prices, payment solutions).

4. Consumer education

Consumer education is an important element in providing information to consumers, as well as developing awareness of consumer rights and training in accessing and evaluating information. Consumer education has been given high priority in Norway.

On the Nordic level, co-operation in order to share experiences and provide information to Baltic States and Western Russian regions in particular has been important. On a Nordic level a network has been built up in order to facilitate co-operation not only in relation to the states and regions mentioned, but also with EU countries.

5. Complaints and redress handling

The local offices of the Consumer Council handle most complaints and disputes in connection with purchase of goods and services, which seek to arrive at an amicable settlement between the parties.

Disputes that are not solved through the mediation of the Consumer Council, may be brought before the Consumer Purchase Disputes Committee. The decisions of this committee are binding for the parties, unless they are appealed to the ordinary law courts. The competence of the Committee is, however, restricted to goods, services related to goods, craftsmen’s services and disputes concerning to the right of withdrawal (cooling off period).

The public committee is supplemented by voluntary complaint committees established by agreements between the Consumer Council and trade organisations, which also play an important role in resolving consumer disputes and giving advice to consumers.

Norway takes part in the European Extra-Judicial Network (EEJ-net) for out-of-court settlement of consumer disputes, which was initiated by the European Commission and operative as from 16 October 2001. The Consumer Council has the function of Clearing House in Norway.

6. International developments

As one of the EFTA members of the European Economic Area (EEA), Norway is part of the internal market. Norway takes part in EFTA activities related to EU consumer policy, which includes implementation of legislation, that in made part of the EEA Agreement. Norway has since 2000 participated in the EU General Framework for Community Activities in favour of consumers.

The Consumer Council participates in particular in BEUC and ANEC.

The Consumer Ombudsman participates actively in several international fora, including IMSN.

7. Research

The main operator in the field is the National Institute for Consumer Research (SIFO) <http://www.sifo.no/english/> the institute focuses on applied research and themes relevant for ongoing and future development in society. The work concentrates on the individuals and the households planning, acquisition, use and disposal of goods and services in a context which extends beyond the consumer as a customer in the marketplace.

Project work is developed within the four major goals: i) knowledge of the consumer, ii) knowledge of the products, iii) knowledge of the market and iv) knowledge of the politics. Thematically the focus is on household economy, food, environment, distribution and commodity trade, consumer culture, application of information and communication technology, textiles, household chemistry and household products.

Major activities for 2001 have been:

Within the field of consumer economy, debt- and payment problems as well as the economic welfare of households.

Food habits related to change in habits, the habits of young people, and the exchange of habits between generations and across borders and food habits, health and lifestyle. A major work has been carried out to compare the Nordic countries has just reported on modern everyday life, family behaviour and structure, individualisation, working patterns and relation between the sexes as part of analysing the change in food habits.

Social and individual considerations of consumption with a focus on consumer culture.

The fixture of prices and examination of margins have for several years been the contribution from SIFO to the discussion of food prices in Norway. The projects have for the most been related to field of agriculture but in 2001 we reported on work related to the distribution of fish products. SIFO also undertakes price inspections with focus on comparisons between different chains of stores in Norway and the phenomena of trade across the border to Sweden.

New technology and its impact on households and consumers are themes with focus on Internet trade and changes in household structures and life.

SIFO pays high attention to the relation between consumer policy, environment and sustainable development, the regulative regime of food control and consumer trust. Projects in this field have a European perspective and are carried out with financial support from the EU.