

Annual Report on Consumer Policy Developments

SWEDEN

2000

Parliamentary committee on future consumer policy

A parliamentary committee on future consumer policy presented in its final report, published in April 2000, several proposals for the purpose of strengthening the consumers' position on the market and place consumer issues in the center. According to the committee the following issues are the most important proposals for the purpose of strengthening the consumers' position on the market and place consumer issues in the centre:

- Local obligatory consumer advice centres in all local districts.
- The establishment of a Ministry for Consumer Affairs in order to highlight more the consumer and foodstuff issues in the governmental work.
- Allocating more resources to the Swedish Consumer Agency for (a) investigation and analysis work, for (b) giving the Agency increased powers and for (c) giving the Agency the role of coordinator in the consumer policy area.
- More funds to the consumer organisations.
- Reinforced advisers' liability in the field of financial services.
- Consumer knowledge - a new school subject.
- Reinforced product safety work including increased control of dangerous products.
- A nationwide register for home and leisure accidents.
- Better provision of advice and complaints handling with regard to house purchases and the delivery of electricity, telecommunication services etc.
- Consumer Services Act to be extended to cover more services, for instance in areas with so called deregulated services.

The Government intends to account for its position on the proposals of the committee in a government bill to the parliament during the first half of year 2001.

Consumers and IT

A Committee on *Consumer rights in the information society* presented a report in October 1999. The report is still under discussion in the cabinet office and the ministries. The report contains the following most important proposals:

- Rules on businesses' identification.
- Rules on beforehand information about the characteristics of goods and services offered.
- Right of withdrawal.
- Easy access to consumer contract terms.
- Secure and efficient payment systems.
- Existing consumer law protection to cover the purchase of digital products.
- A review of possible regulation of so-called intellectual services and consumer rights in conjunction with free gifts on the Internet.

- The Product Liability Act should be reviewed with a view to consider its scope as far as damages arising from harmful digital products are concerned.
- The Government to produce and execute an information plan with regard to the impact on people in bad health of advertising directed at them.
- The Government to prepare a plan for and foster the need of research concerning marketing on the Internet to children and young people.
- Opt-in solution for unsolicited e-mail advertising.

Review of the Travel Guarantees Act

In the annual report for 1999 information was brought on a review on the Travel Guarantees Act. The report proposed the replacement of the existing Act by a new Travel Guarantees Act. In accordance with the terms of reference for the Committee the proposals aim at the maintenance and, where necessary, the improvement of the existing guarantee system in order to make it easy to manage, competitively neutral and consistent with a high level of consumer protection as enshrined, *inter alia*, in the EC Package Travel Directive. The main elements of the present Act is suggested to be maintained while the scope of the law is to be broadened to some extent. The review is still under preparation.

Review of supervision of estate agents

Another item presented in the annual report for 1999. Information was brought on the review of the supervision of estate agents. The report stated, *inter alia*, that the supervision by the Estate Agents Board should be broadened and that the Board should be given the mandate, after consultation with the professional organisations, to launch guidelines as regards codes of conduct and similar in this area. The review is still under preparation.

The Swedish Marketing Act

The 1st of May 2000, a new regulation on unsolicited marketing was introduced in the Swedish Marketing Act. The regulation stipulates that a businessman when marketing to individuals may use fax or cold calling or similar automatic systems only if the individual has accepted in advance (opt in). Other means for individual distant communications (for example e-mail) may be used as long as the individual has not expressly opposed himself (opt out).

The right to plead before court

A new possibility for consumers to plead before court is being implemented into Swedish legislation. The new Act will be implemented according to a directive on injunctions for the protection of consumer's interests. The purpose of the regulation is to enforce the protection for consumers in the European Union at cross-border infringements on consumer directives. Approved authorities (consumer organisation) will be empowered to plea cases in the member state where the infringement has occurred. The Act will be implemented at the 1st of May 2001.

The Swedish Presidency in the EU during the first half of 2001

The Swedish Government has singled out the consumer area as one of the priority issues in the Swedish EU policy. The concrete matters that are being considered at the meetings of the Council are a new, improved directive on general product safety, a directive on distance

selling of financial services and initiatives on better regulations on marketing. Internal market and consumer issues will be among those considered at the meetings of the Council of Ministers, by working parties and in an informal ministerial meeting. In addition there will be conferences on topics in consumer politics. A conference in European Law on the 11 – 12 of June will, among others, debate consumer laws.

At the council meeting of Internal Market and Consumer Ministers on the 12th of March the proposed directive on distance selling of financial services was considered. The presidency reached the conclusion to work towards a political agreement at the next council meeting in June. A political agreement may also be possible to reach on the proposal to amend the directive on consumer credit. The proposal is expected to improve the possibilities of comparing the cost of credit.

At a Conference on Fair Trading in Stockholm on the 9 - 10 of March, discussions were held on the need for further harmonisation on marketing practices in Europe. Similar discussions on good business practices towards consumers and better administrative co-operation took place at the informal meeting of internal market and consumer ministers on consumer issues in Lund on the 26 – 28 of April. A seminar for European consumer organisations was arranged in connection with the informal meeting.

Other items of interest for consumer policy on the program during the Swedish presidency are the Consumer Policy Conference for Candidate Countries in Stockholm on the 18 – 19 of June, and the Consumer Product Recall Conference in Stockholm on the 25 of June. The Consumer Policy Conference for Candidate Countries will be organised by The Swedish Consumer Agency and Taiex. The Consumer Product Recall Conference will examine the revised Product Safety Directive and its new requirements on Consumer Product Recalls.
