



**COUNCIL OF
THE EUROPEAN UNION**

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NOTE

from : General Secretariat of the Council
to : Council

Subject : "COMPETITIVENESS" (INTERNAL MARKET, INDUSTRY, RESEARCH
AND SPACE) COUNCIL ON 5 AND 6 DECEMBER 2011

Consumer Markets Scoreboard
- Presentation by the Commission
(Other business item)

Delegations will find in the Annex the written information on the Consumer Markets Scoreboard from the Commission

ANNEX

INFORMATION FROM THE COMMISSION SERVICES

CONSUMER MARKETS SCOREBOARD

Introduction

Improving consumer conditions and empowering consumers will help deliver the full potential of the single market, which is vital for growth and job creation. Given that consumer expenditure represents 56% of EU's GDP, small improvements in consumer conditions can have a significant impact on the allocative efficiency of the economy and make a contribution to enhancing economic growth. Informed and empowered and discerning consumers, who understand the abundant and complex choices they face, reward efficient and innovative businesses thereby sharpening competition and stimulating innovation.

The Scoreboards

The Consumer Scoreboard is a tool to monitor the single market from a consumer perspective. It provides an evidence base for policy action and regulation that is driven by a better understanding of real outcomes for consumers. It helps policy makers to ensure that future policies take better account of consumers' expectations and concerns and to identify priority areas that should be addressed in order to improve consumer conditions.

The Scoreboard is published twice per year:

- The **Consumer Markets Scoreboard** is published in autumn. It ranks 50 consumer markets based on how well they are functioning for consumers. The ranking of markets is based on the Market Performance Indicator which reflects four crucial aspects: (1) consumer trust in the retailers or providers in each market (2) the ability to compare offers and therefore make informed choices (3) the degree of problems experienced and complaints made by consumers and (4) overall consumer satisfaction. In addition, the Scoreboard also monitors switching suppliers and tariffs (for 14 services markets), consumer choice on each market and price divergences between EU countries for over 100 goods and services. In-depth market studies are then conducted, to analyse the problems and to propose solutions.

- The **Consumer Conditions Scoreboard** is published in spring and provides data on national consumer conditions, cross-border trade and the development of e-commerce. The latest edition of the Scoreboard (5th) was published in March 2011.

Results of the Sixth Scoreboard

The **Sixth Consumer Markets Scoreboard** was published in October 2011. It shows that services markets continue to underperform, with financial services (e.g. consumer credit, retail banking) and network services (e.g. electricity, water, internet supply) all below average. Globally for the EU, the three service markets with the poorest ratings are: investments, real estate services and mortgage loans.

Goods markets on the whole appear to be working considerably better. Exceptions include second-hand cars and fuels (for vehicles), which have scored lowest in the goods category.

Compared with 2010, the electricity and fuels markets have deteriorated most, which may reflect consumer sentiment about electricity and fuel prices.

Follow-up / use of the results

The Scoreboard results provide clear indicators for where further work is needed at EU and national level.

The European Commission will launch two in-depth market studies on consumer credit and vehicle fuels.

Member States are encouraged to continue using the national rankings to launch initiatives at national level, and to set national enforcement and consumer policy priorities.

The Commission has invited the EU business associations representing the sectors covered by the Scoreboard to a dialogue designed to create a better understanding of the problems specific to low-ranking markets. The discussion will also help identify and promote the best practices that explain the success of other markets.