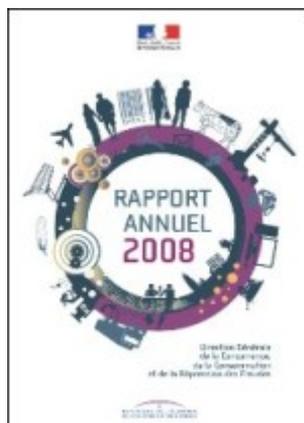


2008 ACTIVITY REPORT OF THE GENERAL DIRECTORATE FOR COMPETITION POLICY, CONSUMER AFFAIRS AND FRAUD CONTROL (DGCCRF)



Excerpts

INTRODUCTION

2008 – A year of important changes for the DGCCRF

The year 2008 was a year of significant change for the DGCCRF, both in terms of French and European legislation as well as reform of the territorial organisation of the French State.

The Act of 3 January 2008 for the promotion of competition in the interest of consumers considerably boosted the DGCCRF's powers. The Economic Modernisation Act (LME) of 4 August 2008 revised the institutional organisation of competition authorities. It modified the division of responsibilities between the DGCCRF and the newly-created Competition Authority in the area of mergers, and provided the Authority with its own means for carrying out investigations. In addition, the LME laid down a new framework for business relations between suppliers and distributors, relaxed the rules concerning sales and introduced into the Consumer Code several measures that strengthened consumer protection.

The French Presidency of the Council of the European Union (PFUE) in the second half of 2008 was the year's major event in terms of EU policy. Important legislation was passed concerning safety and economic protection for consumers. This is particularly true of the Toy Safety Directive and the Timeshare Directive, to which the DGCCRF made major contributions. Another outstanding achievement under the French Presidency was the adoption of an EU regulation concerning feedstuffs, to which the Directorate's various teams devoted considerable effort. During this same period, the DGCCRF organised several events around current topics in competition and consumer affairs, which were attended by nearly as many foreigners as French participants.

At the same time, as the results of the Directorate's multi-year performance contract shows, the decentralised services continued to operate at a lively pace, with nearly a million actions carried out during 2008.

In terms of protecting consumers' economic interests, in 2008 the DGCCRF stepped up actions in the real estate sector, particularly due to the share that housing represents in household budgets. The Directorate regularly publishes a complaints register, which its various departments use to analyse consumer reactions and provide appropriate responses, such as monitoring actions or changes in regulations. Following a rise in prices in late 2007, the French government wanted to be able to analyse changes in prices for fast-moving consumer goods (FMCGs), and in March 2008, the DGCCRF launched a prices and margins indicator. This unit was complemented by a steering committee specifically devoted to agricultural products, jointly chaired with the Ministry for Agriculture.

In the domain of consumer safety, the DGCCRF placed toys and items for children at the top of its agenda. It also focused its inspection of manufactured goods on two other areas of daily life – safety of leisure activities and safety in and around the house. It forced retailers to pull from their shelves pool alarms that did not provide expected levels of safety, and initiated regulatory efforts to bolster the safety obligations incumbent on the manufacturers and importers of these devices. Operational activities vis-à-vis food safety were also stepped up in 2008, with particular attention paid to foodstuffs used for the purposes of nutrition, health and well-being. The DGCCRF also managed several high-profile alerts, including one involving sunflower oil imported from the Ukraine, and another concerning contaminated milk products from China.

In the area of competition, an investigation by the DGCCRF uncovered a very large cartel in the steel industry, leading to record fines levied by the former Competition Council. Eleven trading companies and the leading industry association were fined a total of more than €70 million.

2008 also witnessed significant changes with respect to territorial organisational reform, decided within the framework of the General Review of Public Policies (RGPP).

Apart from changes having to do with certain aspects of competition regulation for markets, the DGCCRF's field missions were confirmed and strengthened. In addition, three acts voted between late 2007 and mid-2008 bolstered the powers granted to DGCCRF staff.

Government decisions handed down throughout 2008 laid the foundations for the State's future territorial organisation, at both regional and *département* levels. In this respect, certain teams from the DGCCRF will, starting in 2010, be part of the future Regional Directorates for Businesses, Competition Policy, Consumer Affairs, Labour and Employment, while others will join the future *Département* Directorates responsible for citizen and consumer protection.

Within these future Directorates, the teams will continue – at a more grass-roots level – to implement public policy and State priorities aimed at protecting consumers and enforcing fair competition.

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As the newly-appointed Director-General for Competition Policy, Consumer Affairs and Fraud Control, it is my expectation that all of the DGCCRF's teams will, within this new framework, continue their actions in support of high-quality, effective public action. As they do, I hope that they will keep in mind what I see as the Directorate's two watchwords – skill and responsiveness.

Nathalie Homobono

Director-General

STATE REFORM AND THE DGCCRF

Like every French government department, the DGCCRF is taking part in State reform, within the framework of the General Review of Public Policies (RGPP), which was launched in 2007 at the behest of the President of the Republic.

In 2009, new measures will be deployed by the government in terms of territorial organisation. After a pilot phase, new regional and *département* structures are scheduled to be put in place in 2010.

CONTINUATION OF CURRENT MISSIONS

The DGCCRF's missions focus on three actions within the "Business and Job Development" programme.

The goal of **regulating market competition** is to define and enforce competition rules, in order to promote development of a fair and open marketplace by combating unfair business practices.

This mission includes the fight against anti-competitive practices (cartels and abuse of a dominant position) and restrictive practices between professionals (specifically industry/trade relations) and the fight against counterfeiting.

The institutional framework of the fight against anti-competitive practices was modified by the Economic Modernisation Act of 4 August 2008 and the Order of 13 November 2008 concerning the modernisation of competition regulation, which created the Competition Authority and redistributed powers between the Authority and the DGCCRF (see below).

- The goal of the **consumer protection** mission is to set and enforce rules on required information to consumers and fair business practices directed at consumers.

Accordingly, the DGCCRF makes sure that consumers are given clear and honest information concerning goods and services offered for sale (labelling rules, ingredients and naming of merchandise, prevention of forgeries and deception). It sees to the proper use of symbols that enhance the value of products (quality logos, labels, certifications of origin, organic agriculture labelling, etc.). It detects and sanctions practices deemed detrimental to consumers (e.g., deceptive advertising, artificial discounts and abuse of weakness) and checks for compliance with price posting rules.

To improve services to consumers, the DGCCRF plans to improve its telephone service by expanding the National Call Centre at Montpellier.

- **Consumer safety** means ensuring consumers' physical safety and health.

The DGCCRF's perimeter of action includes every type of product (both food and manufactured goods) at every stage (production, import, distribution), as well as services.

At the domestic level, it inspects products using risk indices that it receives from other EU Member States via European warning networks.

Its work has been stepped up in risky areas such as pesticide residues in plant-based foods, athletic and recreational activities, and accidents in everyday life. The DGCCRF also pays particular attention to mass-market manufactured goods, which are extremely diverse and turn over rapidly, requiring specific procedures in terms of safety inspections.

All of these actions are carried out with a single end in mind: serving the consumer.

TERRITORIAL REFORM

Central government policy will now be implemented by France's regions. A limited number of regional-level directorates will be placed under the authority of the region's prefect.

The newly-created Regional Directorates for Businesses, Competition Policy, Consumer Affairs, Labour and Employment (**DIRECCTE**) are decentralised services shared by the Ministry for the Economy, Industry and Employment and the Ministry for Labour, Social Relations, the Family and Solidarity. They include a "**hub**" that is basically dedicated to missions of the DGCCRF.

In application of the Prime Minister's circular dated 31 December 2008, teams in each *département* responsible for competition policy, consumer affairs and fraud control will – like most State services at this level – be integrated into a new *département*-level interministerial directorate (DDI). Depending on the size of the *département*'s population, this will be either the **Département Directorate for Citizen/Consumer Protection and Veterinary Services (DDPP)** or the **Département Directorate for Social Cohesion, Citizen/Consumer Protection and Veterinary Services (DDCSPP)**. These new directorates will be under the authority of the *département* prefect, and will be organised in such a way as to optimise mission performance at the local level.

Ministers will provide prefects in each region and *département* with detailed instructions for implementing the government's guidelines. In terms of investigations related to competition and consumer affairs, the State's new territorial directorates will, under the authority of the prefects, implement the annual priority action programme as defined by the DGCCRF and validated by the ministers (national framework directive).

2008 NATIONAL FRAMEWORK DIRECTIVE (DNO)

Each year the DGCCRF defines the coming year's activities in the DNO, which sets clear guidelines and targeted objectives.

Nine national orientations were defined for 2008:

1. Promotional practices
2. Nutrition and well-being
3. Sustainable development and energy
4. The digital economy
5. Protection of vulnerable consumer groups
6. Home services
7. Inter-business relations
8. Manufactured product safety
9. Real estate and housing

KEY FIGURES 2008

OVERVIEW

177,768 establishments visited

937,888 actions

Missions	Actions	Rate of irregularities
Regulation of market competition	104,123	5.5%
Consumer protection	532,633	9.7%
Consumer safety	301,132	10.2%
Total	937,888	9.4%

Follow-up to actions

Notifications of regulatory information	60,526
Reminders of regulation	58,785
Reporting of non-conformity (fruits and vegetables)	1,296
Administrative police measures	8,638
Seizures	388
Samples taken	40,604
Consignments	375
Cases referred to the public prosecutor's office (official reports)	12,123

SPECIFIC ACTIONS WITH RESPECT TO COMPETITION POLICY

Cartels and abuse of a dominant position	
Signs of anti-competitive practices detected	530
Investigation reports on anti-competitive practices	64
Minister refers case to the Competition Council	7
Investigations of merger authorisation requests¹	127

¹ Starting in 2009, merger authorisation requests fall within the jurisdiction of the Competition Authority.

RECEPTION OF THE PUBLIC

Telephone calls	104,036
Mail received	107,316
Number of visits to devolved units	15,772
Visits to the DGCCRF web site (page views)	6,000,000

A FEW HIGHLIGHTS OF 2008

REGULATION OF MARKET COMPETITION

The Chatel Act of 3 January 2008 for the promotion of competition in the interest of consumers

The primary goal of the Chatel Act, introduced by the minister in charge of consumer affairs, is to meet consumers' needs in terms of purchasing power. It contains a "competition" chapter and a "consumer affairs" chapter.

The principal provisions resulting in changes to the Commercial Code concern modernisation of business relations between suppliers and distributors (a new definition of below-cost pricing), which should strengthen competition in the retail industry and bring prices down.

The Economic Modernisation Act (LME)

The goal of the Economic Modernisation Act of 4 August 2008 is to foster competition, which will have a positive effect on consumers' purchasing power. A number of articles deal with the DGCCRF's missions, but only those measures concerned with competition are discussed below.

- **Creation of the Competition Authority**

The LME established the Competition Authority, an independent government authority with more resources and wider powers than its predecessor, the Competition Council.

The Authority has its own investigative resources for dealing with anti-competitive practices.

At the same time, the Minister introduced new powers to issue injunctions and impose penalties (via direct settlement) with respect to anti-competitive practices at a local level. These strengthened means of action will be enforced by the DGCCRF.

The new Authority is qualified to examine all merger authorisation requests. The Minister for the Economy may cite decisions by the Authority for reasons of general interest other than competition between businesses.

- **New rules for the retail industry**

By giving suppliers and distributors greater freedom to negotiate terms of sale, the new act is the culmination of the process of reforming business relations between these two groups.

It revises penalties for abuse in business relations (significant imbalance between the rights and obligations of the parties, threat of breach, and breach of contract).

It eases introduction of super- and hypermarkets by raising the threshold beyond which a permit is required to open a retail outlet (1,000 sq. m against 300 sq. m previously), and by eliminating competition criteria. A specific mechanism is provided for communities with fewer than 20,000 inhabitants.

- Payment times between businesses

As of 1 January 2009, payment times have been capped at 45 days end of month or 60 days from invoicing date. The act allows for waivers during a transition period that will end on 1 January 2012.

- More flexible regulations concerning sales

The new act gives retailers more flexibility when it comes to reducing prices. In particular, it stipulates:

- National dates for the winter and summer sales, with the possibility for dispensations for certain tourist areas or border zones. The maximum length for each sales period has been reduced to five weeks instead of six.
- That retailers may freely choose two additional weeks of sales.

The Prices and Margins Indicator

The indicator was introduced in March 2008 at the request of the French government, for the purposes of monitoring changes in the prices of mass-marketed goods, and food products in particular. It is under the responsibility of the DGCCRF and updated on a monthly basis. Results are published on the DGCCRF web site.

A steering committee for the agricultural and food sector was set up at the end of 2008.

The SFR/Neuf Cégétel merger

On 15 April 2008, the Ministry for the Economy, Industry and Employment – under the provisions of oversight mechanism in force prior to the LME – authorised a merger between SFR and Neuf Cégétel, subject to certain conditions.

The result was a new operator capable of the level of investment required to compete in the current telecoms market – deployment of a new fibre optic network and technical convergence towards a "quadruple play" service that includes Internet, TV, and fixed and mobile telephony). Both parties agreed to strict and long-term commitments that would, first and foremost, maintain competition between ADSL providers at a time when their telecom and television activities are converging.

Fourteen people convicted of anti-competitive practices during a public procurement process for the supply of bituminous materials to the Seine-Maritime *département*

On 11 September 2008, the Criminal Court of Rouen convicted eleven business leaders and three officials of the Seine-Maritime General Council of anti-competitive practices, providing unfair advantages (favouritism) and misuse of assets for personal gain. The offences were committed between 1992 and 1999 during a public contract award process for the supply of bituminous materials. The sentences totalled 144 months of imprisonment and €269,000 in fines. In addition, the Seine-Maritime General Council successfully petitioned for reparations for losses suffered as a result of these anticompetitive practices, and the parties were ordered to pay damages totalling €4,956,158. The sentencing by the judge occurred after the penalties imposed on six companies by the Competition Council on 15 December 2005. The decision was upheld by the Paris Court of Appeals on 30 January 2007 and by the Court of Cassation (France's highest criminal court) on 15 January 2008.

The investigation was led by the DGCCRF pursuant to a letter rogatory issued by the Rouen investigating magistrate, to which the Directorate had previously referred these cases of suspicious practices. In parallel, the Minister for the Economy referred the case to the Competition Council.

Sanctions for a cartel in the steel industry

Following an investigation by the DGCCRF, the Minister for the Economy referred a case of a suspected cartel to the Competition Council. In its decision of 16 December 2008, the Council penalised eleven firms, including the three major French suppliers of steel products (PUMA/Arcelor, a subsidiary of Arcelor/Mittal; KDI, a subsidiary of the German firm Kloockner; and Descours & Cabaud) and the leading French industry association, the French Federation of Metals Distribution, for creating a large-scale cartel that covered prices, customers and contracts. The fines imposed totalled €75.5 million. The decision was appealed.

Three Competition Workshops

Each year, the DGCCRF organises three half-day "think-tank" sessions that bring together economists, lawyers and academics to discuss various topics of common interest. In 2008, the topics chosen included:

- "The consumer: both beneficiary and stakeholder in terms of competition" (6 May)
- "Radio and television media: content and competition" (30 September)
- "Non-notifiable mergers: a grey zone in competition law" (9 December).

Seven Regional Competition Meetings

These Meetings began in 2007. They are aimed at business leaders, and particularly the leaders of SMEs. Their goal is to make competition law and practice more widely known, as well as to raise awareness, based on local issues, of the DGCCRF's role in this area. The interest they generated (some one hundred participants for each event) led to them being continued in 2008.

Competition Meetings were held in Bastia (29 April), Paris (29 September), Versailles (30 September), Montereau-Fault-Yonne (6 October), Evry (7 October), Rouen (4 December) and Metz (10 December).

International cooperation: twinning with the Ukraine

French-Ukrainian cooperation in the area of market regulation began in 2002. Since 2008, it has taken a new turn under the twinning arrangement obtained within the framework of the European TACIS programme (Technical Assistance to the Commonwealth of Independent States). The goal of TACIS is to develop favourable conditions for a market economy in European Neighbourhood countries.

The programme, which runs for 18 months, is unique, as it will be carried out in collaboration with the Hungarian Competition Authority. The goal is to improve the effectiveness of the Ukraine's competition legislation and of its anti-monopoly commission via assessment of the current situation, as well as education and training sessions.

In this context, the Midi-Pyrenees Regional Directorate hosted a Ukrainian delegation (anti-monopoly commission staff, for the most part). Two subjects were discussed: the search for anti-competitive practices, particularly in the field of public procurement and suppliers/distributors relations, set against the background of the development of super- and hypermarkets in the Ukraine.

European Competition Days under the French Presidency of the Council of the European Union

The Competition Council and the DGCCRF co-organised this event, which took place on 18 and 19 November 2008. It was inaugurated by Luc Chatel and Neelie Kroes, European Commissioner for Competition, and focused on three issues:

- The concept of consumer welfare
- Innovation and competitiveness
- Creating a competition policy within the framework of the Euro-Mediterranean Partnership.

More than 300 people attended. The goal of the event was to highlight innovation by businesses and awareness of sustainability criteria, as well as the fact that consumer interests in an open economy are being better addressed. Another goal was to provide impetus to preparing competition authorities in the Member States of the Union for the Mediterranean.

CONSUMER PROTECTION

The Chatel Act

This act amended the Consumer Code with respect to:

- The electronic communications sector (toll-free waiting time for hotlines, greater ease in switching telecom operators)
- The banking sector (banking mediation extended to loans and savings, annual statement of bank charges)
- The insurance sector (retraction period set at 14 days for all new contracts sold)
- Distance selling (new consumer protection measures)

The Economic Modernisation Act (LME)

The LME contains a "competition" chapter (see above) and a "consumer affairs" chapter.

- Unfair commercial practices towards consumers

The act provides a list of practices that are prohibited under any circumstance, corrects the concept of "vulnerable consumer" and clarifies how "aggressive" commercial practices are characterised.

- Unfair terms

The act introduces a "blacklist" of terms that are considered *juris et de jure* as unfair, as well as a "greylist" of terms that are also considered to be abusive unless the professional in question can prove otherwise (previously it was incumbent on the consumer to prove the unfair nature). This reversal of the burden of proof constitutes a clear step forward in consumer protection. The implementing decree was issued on 18 March 2009.

- Telephone surcharges

The law prohibits companies from charging for calls by consumers to after-sales service departments or when making a complaint. This type of number must be mentioned in the contract and in correspondence.

- Finally, new provisions were introduced to improve consumer information concerning after-sales services and about electricity and gas suppliers. The latter must now have physical evidence of a consumer's acceptance of an offer to supply electricity or gas.

The complaints register – a tool for change

The complaints register was established by the DGCCRF in July 2007. It records all complaints received from users (in-person visits, telephone calls, letters, e-mail messages) – some 140,000 per year on average. The data, listed by occupational categories and targeted practices, is analysed and published on a regular basis. The Minister of State in charge of Consumer Affairs, Luc Chatel, organised press briefings on this subject on 23 September 2008 and 3 March 2009.

The register is used to identify high-conflict sectors and to induce companies to adopt action plans to improve the situation. It can also help target inspections, and even drive changes in legislation and regulations. Finally, the register provides valuable information on the effectiveness of measures taken.

In terms of complaints, the Internet and telephony sector is the frontrunner, followed by non-food consumer products, complaints about which have focused on the issue of distance sales. Implementation, on 1 June 2008, of provisions of the Chatel Act concerning these two sectors has helped to significantly reduce the number of consumer complaints – by 26% for the Internet and telephony sector, and by 46% as regards distance sales.

Stepped-up actions in the real estate sector

As the top item in household budgets (24%), housing has been the object of increased vigilance in 2008. Surveys on consumer information and protection were carried out with respect to:

- House building contracts (inspection of terms and contract performance)
- The activity of building managing agents
- Operators in the area of diagnostic surveys
- Internet-based real estate transactions
- Rates and operating conditions of real estate agents
- Elevator maintenance and repair operations

The summer 2008 "Vacances Confiance" (Take Holidays in Confidence) campaign

The goal of the campaign was to inform tourists about their rights as consumers and to prevent abuse and violations. Inspections were conducted by the DGCCRF in collaboration with other government departments (veterinary services, Customs, Maritime Affairs, police).

In 2008, more than 150,000 inspections involving 38,345 establishments were carried out. A total of 27,686 irregularities were uncovered, a rate of 18%. The less serious of these led to reminders of regulation (10,363) or notifications of regulatory information (12,176). The others resulted in 2,807 official reports.

Three consumer affairs workshops

These workshops bring together various groups, including economists, legal experts, psychologists and social workers, business leaders and consumers to reflect on consumer-related topics. For 2008, the topics covered were the following:

- "The beauty products and services market" (18 March)
- "Consuming – new risks, new concerns" (17 June)
- "Consumer complaints" (3 February 2009)

Four regional consumer affairs meetings

These meetings were inaugurated in 2008 and are intended for professionals. They focus on three topics: the DGCCRF's actions in terms of consumer protection, its advisory role in informing professionals of their obligations vis-à-vis consumers, and the interest for all – consumers and professionals alike – to work in a world in which competition rules are respected.

Meetings were held in La Rochelle (9 June), Evreux (29 September), Marseille (7 July) and Nantes (17 September).

The liquidation of "Camif Particuliers"

Due to problems at this company, which led to its liquidation in October 2008, many customers who ordered and paid for goods did not receive delivery.

The DGCCRF stepped in to inform and assist customers. On its website, it posted a dedicated FAQ, set up a special office in the Deux-Sèvres *département* to work with the liquidator and the E-Commerce and Distance Selling Business Association (FEVAD) to find solutions for customers who had not received their purchases, and put in place a special telephone hotline.

These combined efforts produced results: customers received refunds, parcels awaiting delivery at carriers were shipped, products sent back under the terms of an after-sales service contract were returned to their owners, and so on.

Pro-consumer actions under the French Presidency of the Council of the European Union

- Important advances in terms of directives and regulations

Work continued on draft regulations on labelling for food products and cosmetics.

France has put a great deal of effort into the proposed Consumer Rights Directive, which is part of a broader review of the *acquis communautaire* in terms of consumer protection. The proposed Directive simplifies and streamlines the existing consumer protection regulations, which are currently divided among various texts.

In terms of the revision of the "Telecoms Package", on 27 November the Council of Ministers issued conclusions concerning two issues in particular: ease in changing providers and the fight against email and SMS abuse.

The new Toy Safety Directive, which revises the 1988 Directive, was adopted on 18 December 2008. One striking advance in the new text is the significant strengthening of requirements for chemical substances in toys (including the prohibition of certain potentially allergenic fragrances).

The Timeshare Directive (18 December 2008) and the EU regulation on feedstuffs (5 February 2009) were also adopted under the French Presidency.

- Meeting of the International Consumer Protection and Enforcement Network, 27–30 October 2008

Within the framework of the French Presidency, the DGCCRF held a four-day meeting in Paris that brought together over 110 participants, representing consumer affairs authorities from the 30 OECD Member countries.

The event focused on two issues: how can oversight authorities increase consumer confidence? How can they induce consumers to become stakeholders in the market?

- European Consumer Days, 5 and 6 December 2008

These days, organized at Bercy by the DGCCRF, brought together 240 participants, half of them from outside France. They focused on two current issues: revision of the *acquis communautaire* and the effectiveness of consumer protection, using class action as an illustration of this.

CONSUMER SAFETY

Stepped-up inspections of mass-market manufactured goods

In 2008, emphasis was placed on monitoring the safety of mass-market manufactured goods, which are extremely diverse, and are associated with a wide variety of risks. Inspections focused on three themes: child safety (cots and cribs, toys and colouring pencils), safety in and around the house (bedding, coffee makers, hair dryers, garden lighting and small electrical transformers for low voltage lighting) and recreational safety (exercise bicycles, sunglasses, thermal saws and welding equipment).

For example, the investigation into hair dryer safety was carried out in 151 establishments, and 18 samples were taken. The points checked included the connection to the mains, mechanical risks and electromagnetic compatibility.

Of the 18 hair dryers sampled, two were found to be dangerous and have been withdrawn from the market. Only five were deemed to be in conformance; the others displayed only minor non-conformities.

Managing alerts and crisis situations

During the year, the DGCCRF took an active part in several crisis situations (involving known risks or dangers).

In the food sector, the DGCCRF intervened in the spring following an alert concerning sunflower oil imported from the Ukraine that had been contaminated with mineral oil. In September and October 2008, it stepped in over melamine-contaminated milk products from China.

In the field of manufactured products, the Directorate was also very active, particularly with respect to pool alarms (in the summertime).

Finally, it should be noted the actions taken by the DGCCRF – in concert with the General Directorate for Health, the National Institute for Public Health Surveillance and the French Agency for Environmental and Occupational Health Safety – with respect to dimethyl fumarate (DMF). This product, which has antifungal properties, is present in seats and footwear manufactured abroad and can cause allergic reactions, sometimes severe. After studies and inspections, an order dated 4 December 2008 suspended the import and selling of seats and footwear containing DMF on the French market. A subsequent decision by the European Commission confirmed France's position, and called for a ban on the marketing of these products in the EU.

Legislation to improve the safety of mini-motorbikes

As a result of several accidents in France, some of them fatal, and every often involving minors, the government decided to strictly regulate the use of mini-motorbikes (products that are not classified as toys and therefore not subject to toy safety rules).

The Act of 26 May 2008 supplements the provisions of the Highway Code, particularly with respect to unapproved motorised vehicles (such as mini-bikes), whose use on public roadways is forbidden. It restricts sale or hire of mini-bikes to professionals that comply with a charter, prohibits sales and hire-purchase to minors and restricts the use of these devices to specifically-adapted areas.

Alerts in Europe in 2008

In France, the DGCCRF is the point of contact for European alert systems, a responsibility that it shares, for food-related alerts, with the Ministry for Agriculture.

In all, 2,254 European alerts of widely varying importance were handled in 2008:

- 1,557 alerts concerned non-food products, of which 52 were issued by France. Most often, the products in question were toys and games, electrical appliances and motorised vehicles. The most common risks were suffocation and choking, and lesions caused by a chemical product.
- 697 alerts were issued for food products, of which 104 came from France. The food groups most often involved were meats, seafood and fruits and vegetables. The most frequently observed causes were microbial or chemical contamination, the presence of heavy metals and contamination by mycotoxins.

The Eurosafe Conference, 9 and 10 October 2008

During the French Presidency, the European Association for Injury Prevention and Safety Promotion (Eurosafe) organised a conference in collaboration with the French Consumer Safety Commission.

The event, which drew 300 participants from 36 countries, was organised around 17 workshops.

The DGCCRF played an active part in the preparations for this event, and led two workshops:

- Safety of mini-motorbikes (see above)
- Safety in shops, given the number of accidents that are regularly reported in points of sale, some of which are serious.

An Internet portal for the prevention of everyday accidents

On 8 January 2009, Minister of State in charge of Consumer Affairs Luc Chatel officially launched an Internet portal dedicated to the prevention of everyday accidents: www.stopauxaccidentsquotidiens.fr.

The portal, which was created by France's National Consumer Institute, is part of a nationwide plan for preventing such accidents, which was implemented by public authorities under the aegis of the ministers responsible for consumer affairs and health. The site is intended for the general public, and contains information on how to prevent everyday accidents, which cause more than 19,000 deaths every year.

ORGANISATION

THE CENTRAL ADMINISTRATION IN PARIS

The Central Administration lays down general guidance for inspections and other initiatives and is responsible for managing, coordinating and evaluating decentralised services and those with responsibility at the national level. It is organised into two departments that cover seven sub-directorates and 24 bureaux.

SERVICES WITH RESPONSIBILITY AT THE NATIONAL LEVEL (SCN)

The DGCCRF has four SCN that carry out operational or administrative assignments of national scope.

- **The National Investigations department (Direction nationale des enquêtes)**

This department is responsible for national-level investigations into consumer-related matters, involving specific investigations throughout France.

- **IT department**

With three locations (Paris, Lyon and Montpellier), this department handles the operation and upgrading of the Directorate's information systems. It supervises a network of user assistants, located centrally and throughout France, who are responsible for maintenance and updating of hard- and software, as well as local training for new software applications.

- **National School of Competition Policy, Consumer Affairs and Fraud Control (Ecole nationale de la concurrence, de la consommation et de la répression des fraudes) (ENCCRF).**

The school is based in Montpellier with another location in Montreuil. It provides basic training for senior and junior trainee inspectors and dispenses in-service training as well.

- **A special SCN: the joint laboratory service (SCL)**

Formed on 1 January 2007 by the merger of the DGCCRF and DGDDI laboratories, the joint laboratory service reports to both of these administrations.

The SCL has a management unit based in Paris and 11 laboratories around France (Bordeaux, Le Havre-Rouen, Paris-Massy, Lille, Lyon-Oullins, Marseilles, Montpellier, Rennes, Strasbourg-Illkirch, Saint-Denis-de-La-Réunion and Antilles).

THE DECENTRALISED SERVICES

The DGCCRF is a central government department with a nationwide presence, at both a regional and a *département* level.

In the future, the regional and *département*-level structures will be included in the new territorial organisation, decided within the framework of the General Review of Public Policies (see above, "State reform and the DGCCRF").