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REPORT

on the monitoring of Community policy on the protection of purchasers of the right to use immovable properties on a timeshare basis (Directive 94/47/EEC) (2000/2208 (INI))

Committee on Legal Affairs and the Internal Market

Rapporteur: Manuel Medina Ortega

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PROCEDURAL PAGE

At the sitting of 8 September 2000 the President of Parliament announced that she had authorised the Committee on Legal Affairs and the Internal Market to draw up an own-initiative report, pursuant to Rule 163 of the Rules of Procedure, on the monitoring of Community policy on the protection of purchasers of the right to use immovable properties on a timeshare basis (Directive 94/47/EEC).

The Committee on Legal Affairs and the Internal Market had appointed Luís Marinho rapporteur at its meeting of 1 February 2000.

At the sitting of 31 May 2001, the President of Parliament announced that the Committee on the Environment, Public Health and Consumer Protection had also been asked for its opinion.

At its meeting of 18 February, the Committee on Legal Affairs and the Internal Market appointed Manuel Medina Ortega rapporteur to replace Luis Marinho.

It considered the Commission proposal and draft report at its meetings of 21 March 2001, 11 September 2001, 22 November 2001, 19 February 2002, 23 April 2002, 22 May 2002 and 28 May 2002.

At the last meeting it adopted the draft legislative resolution unanimously.

The following were present for the vote: Giuseppe Gargani (chairman), Willi Rothley, Ioannis Koukiadis y Bill Miller (vice-chairmen), Manuel Medina Ortega (rapporteur), Paolo Bartolozzi, Maria Berger, Philip Charles Bradbourn (for Malcolm Harbour), Carlos Carnero González (for François Zimeray, pursuant to Rule 153(2)), Bert Doorn, Janelly Fourtou, Evelyne Gebhardt, Fiorella Ghilardotti, José María Gil-Robles Gil-Delgado, Kurt Lechner, Klaus-Heiner Lehne, Neil McCormick, Toine Manders, Arlene McCarthy, Elena Ornella Paciotti (for Carlos Candal), Marianne L.P. Thyssen, Rijk van Dam (for Ole Krarup), Rainer Wieland and Joachim Wuermeling.

The opinion of the Committee on the Environment, Public Health and Consumer Protection is attached.

The report was tabled on 3 June 2002.

The deadline for tabling amendments will be indicated in the draft agenda for the relevant part-session.

MOTION FOR A RESOLUTION

European Parliament resolution on the monitoring of Community policy on protection of purchases of the right to use immovable properties on a timeshare basis (Directive 94/47/EEC) (2000/2208(INI))

The European Parliament,

- having regard to Article 153 of the EC Treaty concerning consumer protection,
 - having regard to the Commission report on the implementation of Directive 94/47/EEC of the European Parliament and the Council of 26 October 1994 on the protection of purchasers in respect of certain aspects of contracts relating to the purchase of a right to use immovable properties on a timeshare basis (SEC(1999) 1795),
 - having regard to Rule 163 of its Rules of Procedure,
 - having regard to the report of the Committee on Legal Affairs and the Internal Market and the opinion of the Committee on the Environment, Public Health and Consumer Protection (A5-0215/2001),
- A. having regard to the many problems experienced by European consumers in respect of contracts relating to the right to use immovable properties on a timeshare basis and the large number of complaints and requests for information which have been received over the last few years by the relevant Commission departments,
- B. whereas the vast majority of the cases submitted to the European institutions (including the European Parliament) involve aspects, problems and situations which cannot be resolved under existing law, which is based on minimum requirements to be supplemented by the Member States,
- C. whereas in a large majority of the disputes notified, consumers find themselves for the most varied reasons defenceless against promoters in cases where the latter fail to abide by contracts or where maintenance costs increased disproportionately as the years go by,
- D. having regard to the customary practice whereby a number of property-management companies are involved in one way or the other in the agreement (even though they are not party to the initial contract) which makes it more difficult for consumers to assert their rights,
- E. whereas Directive 94/47/EC is a directive laying down legal minima which most of the Member States have transposed literally, making no use of the minimum clause of Article 11 of that directive which permits the regulation of more comprehensive consumer protection,
- F. whereas this minimalist legal approach has failed to deliver the necessary protection for consumers, and has led to significant differences in the ways in which timesharing is dealt with from a legal point of view, as regards both the protection afforded to consumers and, in particular, the guarantees which should be provided by promoters regarding their ability

to honour their commitments,

- G. whereas an exhaustive study should be carried out into the varying laws and situations which have arisen as a result of the transposition of the directive,
- H. whereas Community legislation must be drawn up which will ensure that a high level of protection is afforded to consumers and that the internal market operates properly,
 - 1. Recommends to the European Commission that it should study in detail the problems raised by the transposition of Directive 94/47/CE and present to the Parliament, as soon as possible, the appropriate legislative instrument and the necessary administrative measures resolving the problems of the consumers of 'timesharing' products, while guarantee them the highest degree of protection;
 - 2. Considers that the new legislative instrument to be presented by the Commission, together with any administrative recommendations, should permit unified regulation of timesharing in the European Union and fully take into account the positions and proposals set forth in this resolution; in any case calls for urgent action to be taken where permissible and practicable under current legislation to implement also the proposals set forth in this resolution;
 - 3. Recommends that withdrawal periods for purchasers should be made as long as they can be without their jeopardising promoters' legal security; as regards the right of cancellation, considers that criteria should be standardised and that the one-year time limit laid down in Belgian law should be adopted, at least in the most serious cases of failure to comply with existing law;
 - 4. Calls on the Commission to clarify in its future proposals that the cooling-off period should be taken to mean the number of calendar days, which are easy to calculate and are the same everywhere in Europe, instead of working days, which can vary between Member States, regions and cities;
 - 5. Calls on the right to cancel, within the cooling off period, to be clearly stated on the front face of the purchase contract, referring the purchaser to a simple explanation of the cancellation procedure contained within the contract or as a separate sheet;
 - 6. Calls for an extension of the various forms of contract, thus resulting in broader protection possibilities for the consumer, requiring the duration of the contract to be more clearly specified in order to permit all contracts on the right to use immovable properties on a timeshare basis to be regulated within a single framework, taking into account the restrictions on the annual period of use, and creating a framework for all contracts on the right to use immovable properties on a timeshare basis, including the introduction of an appropriate reimbursement scheme for purchasers;
 - 7. Calls, in respect of advance payments, for a provision to the effect that the prohibition set out in Article 6 of this directive be maintained;
 - 8. Recommends that, if it is not possible to guarantee fully that advance payments made by a purchaser will be duly and swiftly returned, such payments should be prohibited during

the period allowed for exercising the right of withdrawal;

9. Asks the Commission to outlaw the practice of requiring details of a potential buyer's credit card until a deposit is taken after the 'cooling-off period' laid down in the directive;
10. Advises the Commission to consider the possibility of including within the scope of the Directive all new contractual forms for the enjoyment of immovable property on a timeshare basis, without any reference to fixed time-limits, as regards both the minimum duration of a contract and the annual period of use, so as to prevent practices which are designed to evade the guarantees laid down in Community law for this type of economic activity and to cover the case of the point club;
11. Advises the Commission to consider the possibility of improving the legal position of a purchaser of rights for the enjoyment of immovable property on a timeshare basis by securing the rights against real property by entry in a land register;
12. Urges the Commission to make it a minimum requirement that any individual or company in breach of the regulations should be subject to a substantial fine in the courts of the Member State concerned and should be required to pay compensation to the consumer to reflect the serious nature of the problem;
13. Recommends that the Commission adopt special rules governing the right of the consumer and the obligation of the undertaking to purchase his time-share on the basis of a specific price and rules on the system for exchanging timeshares;
14. Suggests that future legislation should include mechanisms to create a sufficient provision for maintenance which will prevent unrestrained or excessive increases in annual maintenance costs;
15. Recommends that consideration be given to whether the legal nature of the contract for the use of immovable property on a timeshare basis can be set as a consumer contract under Community law, in order to apply general rules of Community law for the protection of consumers and, by reference to the general jurisdiction in consumer law or the jurisdiction of the place in which the property is situated, to prevent forum shopping; calls on the Commission in this context to examine to what extent alternative conciliation mechanisms, such as those proposed by the Commission in its communication on extending consumer access to alternative conciliation (COM(2001) 161 final), can be established in order to assist the consumer in asserting his rights;
16. Considers that consumers must be protected from any type of 'collateral' contract established for the purpose of securing the payments or advances which are excluded under timeshare law or protecting their personal data so as to eradicate the phenomenon by which owner details are passed on to third parties which harass customers in an attempt to promote their own sales;
17. Considers that the Commission should also introduce legislation under the doorstep selling directive to ensure that it will be illegal for so called 'timeshare touts' to operate in a manner which is likely to be intimidatory; such a requirement to be subject to penalty in the Member State concerned;

18. Asks the Commission to consider an EU-wide publicity and information campaign to better inform and warn the public of the issues with regard to purchase of timeshare properties; to involve the holiday tourist industry in giving information to consumers and to promote quality timeshare operators via an EU-wide quality assurance scheme;
19. Ask the Commission and Council to work with credit card companies with a view to blacklisting illegal operators and assisting consumers in recovering funds;
20. Welcomes the infringement proceedings brought by the Commission against Spain, Sweden, Luxembourg and Ireland for failure to transpose correctly certain requirements of the Directive and thereby jeopardising consumer protection in the timeshare market;
21. Suggests that the complete information document provisions stipulated in Annex I of the Directive should become obligatory. Moreover, the Annex should be expanded to include information on:
 - the ability to sell the holiday accommodation rights in the future at a guaranteed price;
 - the right of members to inspect future costs;
 - the exact details of the ability to use the rights within an exchange, points or club system;
 - the current annual or user costs and the system for assessing those costs under a members' club (or similar);
 - the ability to use additional facilities (leisure etc.) and the terms of use and assessment of possible changes to those terms by operators;
 - clear information on the ways and means with which to seek effective redress;
22. Suggests that all contracts should be deemed null and void, and therefore unenforceable, where they are not presented in written form or do not provide the mandatory information requirements as required by Article 4 of Directive 94/47/EC;
23. Proposes that 'Timeshare', as a direct response to current and future malpractice in the timeshare market, be redefined as the provision of a temporary right to the use of accommodation of any type whatsoever for holidays in the future where an initial, or subsequent, capital payment is required and/or further sums may have to be paid on a annual or 'as used' basis, (whether called a maintenance fee, usage fee, membership fee, reservation fee, or similar denomination);
24. Suggests that a system should be developed whereby individual members of holiday resorts and clubs would have a say at an early stage in project development and extension by way of, for example, a members' association;
25. Recommends the development of an EU wide recognised accreditation scheme for resorts and operators guaranteeing to the consumer that the resort/operator fully complies with

the provisions of Directive 94/47/EC and any subsequent revision, so that best practice can be instituted and acknowledged among all timeshare practitioners; such an accreditation scheme could be developed in agreement with the sector and with the ethical codes already drawn up by it, as an element of their self-regulation;

26. Calls on the Commission to introduce proposals to protect current owners of timeshare properties from "registration" agencies that demand separate registration fees in support of their claim to assist resale at higher values, by including within the scope of the revised Directive time for consideration of the alleged register or advertisement and a copy of its contents before money changes hands;
27. Calls on the Commission to bring forward, in consultation with the timeshare industry and consumers, an effective prohibition of all sales presentations which involve harassment, coercion or misleading claims by such salesmen and women to members of the public;
28. Instructs its President to forward this resolution to the Council, the Commission and the parliaments of the Member States.

EXPLANATORY STATEMENT

The Commission (in its report on the implementation of Directive 94/47/EC on timesharing), the Council, consumers' associations, trade associations, public bodies and the Member States agree that, despite the Directive, consumers are still experiencing problems and conflict in their relations with the promoters and vendors of the right to use immovable properties on a timeshare basis.

The purpose of the Directive was to harmonise the laws of the Member States relating to the protection of the purchasers of the right to use a timeshare property (they do not actually acquire ownership of any kind or any future right over such ownership; hence under Spanish law there is a ban on the use of the term 'multi-ownership' or any other term which may suggest that a purchaser is acquiring the right of ownership).

The Directive deals with aspects relating to (1) information concerning the constituent parts of a contract and (2) the procedures for cancelling and withdrawing from a contract. Responsibility for all other matters lies with the Member States. The Directive lays down a minimum length of contract, certain requirements concerning the minimum amount of information to be provided by vendors, rules relating to the drawing up of contracts, the right of cancellation and withdrawal, a ban on the making of advance payments, and mandatory cancellation of any credit advanced to the purchaser by the vendor should the credit agreement be cancelled.

The Directive was a 'minimalist' one which allowed the Member States considerable latitude in the transposition thereof. Most of the Member States merely transposed it literally, in skeleton form. Others, however (Portugal, the United Kingdom, France, Greece, Belgium and Spain), were concerned to increase consumer protection. Furthermore, most of the Member States have refrained (as does the Directive) from specifying the legal status of contracts. The provisions regarding minimum length of contract (three years, according to Article 2) and the minimum period of use (one week per year) have also been transposed in different ways. However, only Spain and Portugal have imposed limits on the maximum length of the contract (which the Directive does not mention). Most – though not all – of the Member States have to a greater or lesser extent expanded the requirement to provide information which is laid down in Article 3 of the Directive. Although some Member States punish the failure to provide the information referred to in Article 3 by means of a fine, most do not. In cases in which a purchaser is not entitled to select the language in which the contract is drawn up, some Member States declare the contract null and void and others merely impose a fine.

The above-mentioned Commission report reveals that the implementation of the Directive has not led to the required harmonisation of laws, nor has it served to protect consumers. Although it is true that certain Member States (such as Portugal) have significantly increased consumer protection, the Directive provides such protection only in highly specific areas.

It seems clear that a thorough review of the problems raised by the transposition of the Directive is urgently required. The EC should submit without delay an appropriate legislative instrument to resolve or at least substantially reduce the problems caused by the system.

The new legislative instrument and the possible administrative recommendations called for should take into account all the points contained in Parliament's resolution, which serves to reflect most of the problems encountered by Community citizens and by companies wishing to run an honest and professional business in this sector.

12 July 2001

OPINION OF THE COMMITTEE ON THE ENVIRONMENT, PUBLIC HEALTH AND CONSUMER POLICY

for the Committee on Legal Affairs and the Internal Market

on the monitoring of Community policy on the protection of purchasers of the right to use immovable properties on a timeshare basis (Directive 94/47/EC)
(2000/2208 (INI))

Draftsman: Phillip Whitehead

PROCEDURE

The Committee on the Environment, Public Health and Consumer Policy appointed Phillip Whitehead draftsman at its meeting of 21 March 2001.

It considered the draft opinion at its meetings of 19 June and 11 July 2001.

At the last meeting it adopted the following conclusions by 33 votes to 1, with 0 abstentions.

The following were present for the vote: Caroline F. Jackson, chairman; Ria Oomen-Ruijten and Guido Sacconi, vice-chairmen; Phillip Whitehead, draftsman; Per-Arne Arvidsson, Maria del Pilar Ayuso González, David Robert Bowie, John Bowis, Hiltrud Breyer, Philip Bushill-Matthews (for Martin Callanan), Avril Doyle, Anne Ferreira, Karl-Heinz Florenz, Cristina García-Orcóyen Tormo, Robert Goodwill, Françoise Grossetête, Cristina Gutiérrez Cortines, Jutta D. Haug (for Carlos Lage), Anneli Hulthén, Christa Kläß, Eija-Riitta Anneli Korhola, Giorgio Lisi (for Marialiese Flemming), Jorge Moreira da Silva, Rosemarie Müller, Giuseppe Nisticò, Giacomo Santini, Inger Schörling, María Sornosa Martínez, Catherine Stihler, Antonios Trakatellis, Joaquim Vairinhos (for Dorette Corbey).

SHORT JUSTIFICATION

The modern consumer society has matched more abundant leisure with cheaper travel, to give all the possibilities once open only to the wealthy few. Pooling opportunities through timeshare provided, in theory, a stake in guaranteed, but interchangeable holiday locations, and for many European consumers this is indeed what they got. Others were not so fortunate. As timeshare expanded so did complaints about exploitation, intimidation and fraud on the dubious fringe of this booming industry. Since redress was difficult without concerted action Directive 94/47/EC was introduced to give protection against blatant abuses of trust. The main provisions of the Directive can be summarised as follows:

- a statutory minimum ‘cooling off’ period of 10 days from the signing of contracts of more than 3 years duration;
- no deposit permitted to be taken from the buyer until the end of the cooling off period;
- the contract having to be provided in the language of the Member State in which the buyer resides;
- vendors obliged to provide buyers with descriptive information concerning the property and their contractual rights.

The problems, however, remained. Despite the Directive and the best efforts of the responsible sector of the industry, complaints about timeshare and its ingenious variations have increased. Why? Directive 94/47/EC follows the principle of minimum harmonisation by setting the lowest acceptable level of consumer protection measures from which Member States can expand, if they so wish. Consequently, consumers are now left with a patchwork of laws which offer more protection in some Member States than in others. For example, cooling-off periods vary from 15 days in Belgium to 14 in the UK and Austria with all other Member States opting for the Directive’s 10-day minimum. Equally, advance payments during the cooling-off period are entirely prohibited in Member States such as Luxembourg, Portugal and Greece but in, for example, Denmark advance payments, other than to the vendor or the granter of credit, are permitted and advance payments into third-party security accounts are allowed in Germany. Indeed, in its implementation report the Commission is critical of the fact that the majority of Member States have not pursued the possibility set by Article 11 of the Directive which allows them to adopt stronger consumer protection measures than those set by the Directive itself.

By the end of August 1999, all Member States had transposed the Directive into national law, enabling the Commission to prepare a report on the application of the Directive. This demonstrates the multifarious approaches used by the different Member States. The Commission also assesses whether Directive 94/47/EC provides effective protection for consumers in the rapidly evolving timeshare market. Statistics from the UK Office of Fair Trading, for instance, demonstrate that this is not the case¹. The number of complaints received about timeshare from UK consumers has increased, not decreased, since the introduction of Directive 94/47/EC. This situation is reflected throughout the EU, as recognised by the Commission in its implementation report. Worse still, the diversity of

¹ ‘Timeshare Facts and Statistics’, Timeshare Consumers Association, website address: www.timeshare.org.uk

timeshare practice is reflected in the ingenuity of the new methods of evading the Directive.

There has now been a deluge of complaints for consumers targeted in these new scams. They will probably be approached with a 'free holiday' or a promised buy-back of previous timeshare. They discover that their deposit disappears on signature, that the holidays are neither where nor what was portrayed, that the cheque for what they gave up is never in the post. Often they are pensioners, who sign up abroad to repent at leisure. Directive 94/47/EC cannot help them.

Timeshare products are now on the market which offer a contract of under 3 years (usually 35 months). This falls short of the 3-year minimum duration covered by the Directive. Equally, the Directive only covers those timeshare properties that are used for at least 7 days per year which has led to an increase in timeshare contracts for periods of less than 7 days (usually 6 days). It is the development of Holiday Clubs that is causing perhaps the most concerns, not least to the OTE (Organisation for Timeshare in Europe) itself. Briefly, to join a Holiday Club, the consumer must pay between € 3200 to € 10,000 to guarantee holiday accommodation at a timeshare resort chosen by the consumer. Whilst this gives the impression of flexibility, of time and place, the reality is that of consumers having to pay additional charges for each holiday taken, at prices comparative with any leading (non timeshare) tour operator. Holiday Club members have been faced with a range of difficulties, including liquidation of the company, or a lack of accommodation within its network. Thus consumers may receive very poor value for money. The Timeshare Consumers Association cites one example of a holiday club charging its members £3,000 for the password to an internet site simply for the privilege of booking holidays which are actually equivalent in price to those on offer to the general public¹. The timeshare market has also seen the rapid development of alternative forms of accommodation such as canal boats, and caravans which offer consumers no protection at present as they are not included in Directive 94/47/EC.

Consumer complaints about the Timeshare industry are now beginning to shift from the pre-contractual to the post-contractual phase, which is not presently covered by Directive 94/47/EC. Such complaints now focus on the overcharging for annual management fees, owners being denied information which would allow them to assess the validity of their charges, and the decline of resorts which lack investment. Timeshare owners often describe feeling trapped within their 'property', reluctant to sell due to its poor second-hand value (non-existent in the case of Holiday Clubs). This provides operators with an ample basis from which to exploit their members. In the UK, the Timeshare Consumers Association found, in a survey conducted in 1999, that 45% of resorts have constitutions which appear to give owners control but which, in fact give operators majority control¹ and allow them to manipulate the meeting so that they are as difficult as possible for owners to attend. Operators can also conclude Management Agreements between the Club and the Operator before the Club actually has any members. Operators have also been known to hinder attempts by the timeshare owner to sell a property by refusing to endorse a transfer of ownership. Moreover unscrupulous timeshare operators are fully aware of the owners' reluctance to take legal action on these matters due to the costs involved.

It is therefore evident that Directive 94/47/EC is in urgent need of reform. Consumers need

¹ 'Timeshare 2000. Report and Proposals to the Department of Trade and Industry', Timeshare Consumers Association. July 2000.

an effective measure of protection in their transactions, particularly when these take place in more than one Member State. The industry needs the assurance that fair practices will be encouraged and buttressed by a reformed Directive, which can eradicate the shameful practices that have tarnished a system which still has the potential to bring real benefits to those who use it.

CONCLUSIONS

The Committee on the Environment, Public Health and Consumer Policy calls on the Committee on Legal Affairs and the Internal Market, as the committee responsible, to incorporate the following points in its motion for a resolution:

- having regard to the Commission report on the implementation of Directive 94/47/EC of the European Parliament and the Council of 26 October 1994 on the protection of purchasers in respect of certain aspects of contracts relating to the purchase of the right to use immovable properties on a timeshare basis (SEC(1999)1795),
 - having regard to the Consumer Affairs Council conclusions of 13 April 2000 on Directive 94/47/EC,
1. calls on the Commission to propose new legislative measures, as a matter of urgency, to improve Directive 94/47/EC in light of the findings of the implementation report (SEC(1999)1795), and the comments received from Member States, consumer groups, the timeshare industry and other stakeholders,
 2. welcomes the infringement proceedings brought by the Commission against Spain, Sweden, Luxembourg and Ireland for failure to transpose correctly certain requirements of the Directive and thereby jeopardise consumer protection in the timeshare market,
 3. recommends that the cooling-off period be fixed as 21 days where the agreement is signed in the consumer's country of residence, and as 28 days where the agreement is signed outside the country of residence to give consumers sufficient time to reflect upon the agreement and enable independent advice to be obtained,
 4. calls on the Commission to clarify in its future proposals that the cooling-off period should be taken to mean the number of calendar days, which are easy to calculate and are the same everywhere in Europe, instead of working days, which can vary between Member States, regions and cities,
 5. calls on the right to cancel, within the cooling off period, to be clearly stated on the front face of the purchase contract, referring the purchaser to a simple explanation of the cancellation procedure contained within the contract or as a separate sheet,
 6. advises that the prohibition of advance payments during the cooling-off period be maintained, with operators prevented from demanding reimbursement of any expenses incurred during the cooling-off period,
 7. suggests that the complete information document provisions stipulated in Annex I of the Directive should become obligatory. Moreover, the Annex should be expanded to include

information on:

- The ability to sell the holiday accommodation rights in the future at a guaranteed price.
 - The right of members to inspect future costs.
 - The exact details of the ability to use the rights within an exchange, points or club system.
 - The current annual or user costs and the system for assessing those costs under a members' club (or similar).
 - The ability to use additional facilities (leisure etc.) and the terms of use and assessment of possible changes to those terms by operators.
 - Clear information on the ways and means with which to seek effective redress.
8. suggests that all contracts should be deemed null and void, and therefore unenforceable, where they are not presented in written form or do not provide the mandatory information requirements as required by Article 4 of Directive 94/47/EC,
 9. calls on the Commission to rectify the omissions of Directive 94/47/EC so that it is not confined to contracts concluded for a period of at least 3 years and to contracts with an annual utilisation period of more than seven days, but also covers shorter periods of agreement,
 10. proposes that 'Timeshare', as a direct response to current and future malpractice in the timeshare market, be redefined as the provision of a temporary right to the use of accommodation of any type whatsoever for holidays in the future where an initial, or subsequent, capital payment is required and/or further sums may have to be paid on a annual or 'as used' basis, (whether called a maintenance fee, usage fee, membership fee, reservation fee, or similar denomination),
 11. encourages the Commission to continue, as a priority, its work on developing out-of-court settlement mechanisms of consumer disputes as foreseen in its Communication of 30 March 1998, COM/1998/198,
 12. recommends that all timeshare schemes should provide absolute certainty of the commitments made by the promoters through a trust, public registration, bonding scheme or similar, clearly described in the sales documentation, providing for refund guarantees during construction of the proffered accommodation against bankruptcy or default,

13. suggests that a system should be developed whereby individual members of holiday resorts and clubs would have a say at an early stage in project development and extension by way of, for example, a members' association,
14. recommends the development of an EU wide recognised accreditation scheme for resorts and operators guaranteeing to the consumer that the resort/operator fully complies with the provisions of Directive 94/47/EC and any subsequent revision, so that best practice shall be instituted and acknowledged among all timeshare practitioners; such an accreditation scheme could be developed in agreement with the sector and with the ethical codes already drawn up by it, as an element of their self-regulation,
15. calls on the Commission to introduce proposals to protect current owners of timeshare properties from "registration" agencies that demand separate registration fees in support of their claim to assist resale at higher values, by including within the scope of the revised Directive time for consideration of the alleged register or advertisement and a copy of its contents before money changes hands,
16. calls on the Commission to bring forward, in consultation with the timeshare industry and consumers, an effective prohibition of all sales presentations which involve harassment, coercion or misleading claims by such salesmen and women to members of the public.