L.N. 4 of 2007

EURO ADOPTION ACT
(CAP. 485)

Euro Adoption (Dual Display and Euro Pricing) Regulations, 2007

IN EXERCISE of the powers conferred by article 3 of the Euro Adoption Act, the Prime Minister and Minister of Finance has made the following regulations:-

Title.

1. The title of these regulations is the Euro Adoption (Dual Display and Euro Pricing) Regulations, 2007.

Objective.

2. The objective of these Regulations is to regulate the dual display of prices, values and monetary amounts of goods and services offered to a consumer and to ensure fair practices in euro pricing, thereby facilitating the smooth changeover of the currency unit from the Maltese lira to the euro.

Interpretation.

3. In these regulations, unless the context otherwise requires:-

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"Act" means the Euro Adoption Act;

"Authority" means the Authority designated under regulation 4 of these Regulations and to the extent of any authority given includes any officer or employee of such Authority;

"central parity rate" means the central parity rate for the Maltese lira in terms of the euro set on the entry of Malta into ERM II on 2nd May 2005;

"consumer" means any person viewing, requesting or using the provision of a good or service, not for re-sale, at a price or for an amount which will be representative of payment, or which the person will be required to pay, for such provision;

"conversion rate" means the irrevocably fixed conversion rate adopted for the Maltese lira as provided for in paragraph (c) of Article 1 of Council Regulation (EC) No. 2169 of 2005;

"conversion table" means the official table published by the NECC for the comparison of standard denominations of monetary amounts in the Maltese lira as expressed in relation to the euro;

"dual display" in relation to a price or other monetary amount, means the simultaneous display of an amount in the Maltese lira and the euro;

"dual display period" means the period commencing on a date not being before the 1st July 2007 and ending on 30th June 2008 and includes any such shorter period as may from time to time be prescribed as a dual display period;

"Euro Observatory" and""Observatory" mean the unit set up in terms of regulation 4 of these regulations and to the extent of any authority given, includes any officer and employee of the Euro Observatory;

"FAIR" or the "Fair-pricing Agreements in Retailing" means an initiative of voluntary commitment by any person, to comply with a code of conduct regarding dual display, fair pricing, training and adequate preparation for monetary changeover;

"monetary amount" means the amount showing the monetary value of any goods or services being offered for sale or purchase or being accounted for;

"monetary changeover" means the changeover of the national currency from the Maltese lira to the euro;

"NECC" means the National Euro Changeover Committee.

"price" means the purchase price, and in all cases, the price must be the final retail selling or unit price, including VAT and any other taxes or charges.

"voluntary dual display period" means the period prior to the dual display period during which a person may opt to display prices in both Maltese lira and the euro.

Euro Observatory.

4. There shall be a unit established within the Ministry of Finance which shall be called the Euro Observatory, and which shall have the following functions:-

(a) to be the designated authority for the purposes of conducting the administrative procedures in terms of paragraph (v) of sub-article (1) of article 3 of the Act;

(b) to administer the FAIR initiative;

(c) to direct and instruct on all such things as may be necessary for ensuring compliance with the provisions of these regulations.

Dual display obligations.

5. (1) Without prejudice to the voluntary period mentioned in regulation 7 hereunder, dual display shall be mandatory during the dual display period in relation to any goods or services being provided or offered for sale or in relation to any monetary amount or value representative of such provision, or where a request for payment has been made, or an obligation exists, under a legislative, contractual or other obligation.

(2) Where the monetary amount or value for the provision of any goods or services as aforesaid is made up of more than one component that in total will determine such amount or value, dual display shall be mandatory in relation to such total.

(3) The monetary amount to be paid for the provision of any goods or services shall be displayed in a manner which is distinguishable from the counter-value that is displayed for information purposes.

(4) All prices which are normally displayed to three or more decimal places shall also be displayed to the same number of decimal places in euro for dual display purposes.

(5) Dual display shall not be mandatory in the following cases:-

(a) in relation to transactions or services which are made between or rendered to organisations;

(b) in relation to an Electronic Point of Sales System (EPOS) as provided by commercial banks to retail establishments;

(c) fiscal receipts generated by cash registers:

Provided that, should any tax incentives be offered for the replacement of existing cash registers, such replaced cash registers shall produce fiscal receipts with dual display according to these regulations;

(d) where equipment or price displays, electronic or mechanical, can only display one denomination and the cost for modification for dual display will in the particular circumstances be disproportionate to the benefits of dual display;

(e) television advertising where both price and contact information are displayed for a very short period of time and where dual display may confuse the consumer;

Provided that following the end of the dual display period, all monetary amounts in television advertising shall be required to be displayed in euro only;

(f) interactive voice response systems which indicate payments or balances;

(g) where in exceptional circumstances, and after an application is made to the Euro Observatory a concession is granted allowing a derogation from the duty of dual display.

Provided that where in the cases referred to in sub-paragraphs (b), (c), (d) and (g) above any such dual display is not provided for, conversion tables shall be made available, and prominently displayed, to the consumer.

Conversion and rounding.

6. The following provisions shall also apply in relation to dual display:

(a) the conversion of the Maltese lira into euro or vice-versa, shall be carried out by the application of the central parity rate or the conversion rate whichever is applicable;

(b) the central parity rate and the conversion rate shall be applied up to six significant figures. They shall not be rounded or truncated when making conversions;

(c) in the application of the central parity rate and the conversion rate, the inverse use derived from these rates shall not be used;

(d) monetary amounts converted from Maltese lira to the euro shall be rounded to the nearest euro cent;

Provided that, if the result of a conversion is an exact mid-value, it is to be rounded up;

Voluntary dual display.

7. (1) Any person opting to adopt the dual display prior to the commencement of the dual display period may make an application on the appropriate form to the Euro Observatory to subscribe to FAIR.

(2) The FAIR initiative shall be operative with effect from the 15th January 2007, or from such other day as the Minister may by notice on the Gazette published prior to the 15th January 2007 may appoint.

(3) An application to subscribe to FAIR shall contain -

(a) the relevant details of the applicant;

(b) the timetable being proposed for the implementation of dual display;

(c) the training which may be required by staff of the organisation dealing with the consumer;

(d) an undertaking by the applicant that prices will not be increased for the reason that a monetary changeover is taking place and that the applicant will abide by any guidelines published by the NECC.

Subscription to FAIR.

8. (1) The Euro Observatory shall assess the application to ensure that the applicant meets the criteria for participation in the FAIR initiative. For such purpose the Observatory may ask the applicant to provide such further information or clarifications as it may consider necessary.

(2) If the applicant does not meet the criteria, the Observatory shall inform the applicant in writing, stating the reasons why such criteria were not met.

(3) If the applicant meets the criteria, the Observatory shall issue a letter of acceptance and the applicant shall be registered as a participating organisation of the FAIR initiative in a register kept for such purpose.

Award of FAIR mark.

9. (1) Where, following registration, the Euro Observatory ascertains that a participating organisation has reached a satisfactory stage in the implementation of the timetable as proposed in paragraph (b) of sub-regulation (3) of regulation 7, the Observatory shall award the FAIR mark to such organisation.

(2) When an organisation has been awarded the FAIR mark, the organisation shall display the mark in a prominent place at its retail outlets and in its advertising and promotional material.

(3) No person shall use the FAIR mark or indicate that such mark has been awarded, unless it has been awarded in accordance with these regulations, or where the right to use the FAIR mark has been suspended or withdrawn under regulation 10 of these regulations.

Withdrawal of FAIR mark.

10. (1) Where a participating organisation does not comply with any requirements of the FAIR initiative and fails to comply with any direction issued by the Euro Observatory for such purpose, it shall be liable to an administrative penalty following the procedures established under regulation 24 of these regulations.

(2) Without prejudice to the penalty that may be incurred as aforesaid, where an organisation fails to comply with the direction of the Observatory, the Observatory may suspend or withdraw the FAIR mark.

Obligations of participating organisations.

11. (1) It shall be an obligation of a participating organisation in the FAIR initiative -

(a) to implement the dual display in terms of regulation 6 of these regulations;

(b) to allow for the proper training of staff dealing with the consumer by the NECC;

(c) to provide for the dissemination of information material published by the NECC;

(d) not to increase the price of any goods or services for the reason that a monetary changeover is taking place;

(2) Compliance at all times by a participating organisation with the provisions of the Consumer Affairs Act (Price Indications) Regulations shall also be an implied condition for the participation in the FAIR initiative.

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Vending machines.

12. In the case of vending machines, dual display shall be applicable through a price-list of the items sold affixed to the machine.

Hand-written invoicing.

13. Where the amount of the total of a hand-written invoice is shown in one currency, the consumer shall have the right to request, and the person making out the invoice shall have the obligation to provide, either a conversion table or the equivalent total value for dual display purposes.

Banking services.

14. (1) In the case of banking services, dual display shall be obligatory in the following cases:-

(a) Maltese lira deposits of cash and cheques into current and savings accounts across bank counters;

(b) Maltese lira cash withdrawals from savings accounts across bank counters;

(c) closure of savings and current accounts denominated in the Maltese lira across bank counters;

(d) on ATM 'fast cash' screen displays for the withdrawal of Maltese lira cash;

(e) tariffs and scales of charges;

(f) final balances on all bank statements, including credit card statements;

(g) price tariffs and other monetary amounts displayed on bank websites (excluding internet banking)

Insurance policies.

15. (1) In the case of life insurance policies, dual display shall apply on the premium amount due and on the capital sum and the annuity insured.

(2) In the case of non-life insurance policies, dual display shall apply on the premium amount due and the sums insured.

(3) Dual display shall also apply to any contractual charges which will affect the premium amount and the sums insured.

Mail order catalogues.

16. Where a catalogue, printed prior to the period of dual display is used for the provision of goods or services, the person whose goods or services are advertised in the catalogue shall make arrangements for the insertion of a list of all catalogue prices in both the Maltese lira and the euro.

Public transport.

17. In the case of public transport, dual display shall apply in relation to all applicable transport fares and a list of such fares shall be prominently displayed during transport.

Taxis.

18. Dual display shall not be applicable in relation to the taxi meter, provided that a dual display price list of applicable fares and a conversion table is prominently displayed in the taxi.

Gaming services.

19. Any person accepting payment for gaming services, including gambling, or providing other services relating to gaming, shall have a price list in dual display prominently displayed at the point of sale or on the gaming machine.

Fuel stations.

20. In the case of fuel stations, dual display shall not be obligatory for fuel pumps, provided that, a price list displaying the price per litre for each grade of fuel both in the Maltese lira and in euro, and the conversion table, are prominently displayed at the station.

Financial statements.

21. In the case of financial statements which are published in summary form in the media, dual display shall apply in relation to totals of such summaries.

Acceptance of payments in euro.

22. (1) Any person accepting payment in euro both during the voluntary dual display period as well as during the dual display period, shall apply the central parity rate or the conversion rate, whichever is applicable at the time, without the addition of any charges whatsoever.

(2) Any person, accepting euro notes as a deposit for, or into, an account of any type which is denominated in euro shall do so without the addition of any charges.

Pricing.

23. No person shall increase the price of any good or service, or add on any amount or charge to such price, for the reason that the monetary changeover is taking place.

Procedures for non-compliance.

24. (1) Any person who contravenes or fails to comply with any provision of these regulations or with any terms or conditions under the FAIR initiative shall be guilty of an administrative offence against these regulations and shall be liable to an administrative fine and/or penalty as specified in these regulations and in the Schedule thereto.

(2) Where the Euro Observatory finds that any person is not complying with any provision of these regulations, or is not complying with any of the terms or conditions under the FAIR initiative, the Observatory shall issue a direction in writing –

(a) indicating the shortcoming or failure to comply;

(b) indicating the remedy to be implemented or action to be taken in such case;

(c) specifying the time within which such remedy or action shall need to be taken and;

(d) stating that failure to comply may incur an administrative penalty.

(3) On receipt of such direction the person to whom the direction is addressed shall take remedial action and inform the Observatory that such action has been taken.

(4) If following the direction issued as aforesaid, remedial action is not taken or is not taken to the satisfaction of the Observatory within the specified time, the Observatory shall issue a second direction.

(5) The Observatory shall give notice to the Ministry responsible for Consumer Affairs within three days of the issue of a second direction.

(6) Upon receipt of the notice referred to in paragraph (5) above the Ministry responsible for Consumer Affairs shall, within three days from receipt of notice, issue a final notice to the person to whom the second direction had been issued, providing a period of not less than three days within which to conform to the direction issued by the Euro Observatory.

(7) If, after the three days mentioned in paragraph (6) above have lapsed from the issuance of the final notice, it results to the Ministry responsible for Consumer Affairs, that the person to whom the final notice has been issued, is still not compliant with the direction issued by the Observatory, it shall impose upon such person an administrative penalty consisting of:

(i) an administrative fine of not less than three hundred liri and of not more than one thousand five hundred liri and/or,

(ii) if it considers such a measure necessary, the suspension of any trading or other licence held by the person concerned for the purpose of carrying on its trade or business for a period of not more than fifteen days;

(iii) if it considers it appropriate, a daily administrative fine of not less than thirty five liri and of not more than two hundred liri for each day during which the infringement continues.

Provided that, where the infringement consists of any one or more of the infringements listed in Schedule 1 of these regulations, the administrative penalties in respect of such infringements included in the said Schedule shall be applicable.

Appeals.

25. (1) Any person feeling aggrieved by a decision of the Ministry responsible for Consumer Affairs to impose an administrative fine or penalty under these regulations may, within a period of twenty days from the receipt of notification of the fine or penalty appeal such decision to the Court of Appeal (Inferior Jurisdiction) as constituted in terms of article 41 (6) of the Code of Organisation and Civil Procedure and the provisions of the Code of Organisation and Civil Procedure applicable to appeals to the said Court shall apply to such appeal.

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(2) Upon such appeal the Court of Appeal (Inferior Jurisdiction) shall consider all the factual and legal aspects of the case and shall be entitled to annul, revoke, confirm or vary the administrative fine or penalty appealed from.

Executive Title.

26. The notice of an administrative fine imposed in terms of these regulations shall, when it has become final and is not subject to appeal, constitute an executive title for all the effects and purposes of Title VII of Part 1 of Book Second of the Code of Organisation and Civil Procedure.

Designated authorities.

27. The Euro Observatory and the Ministry responsible for Consumer Affairs shall be the designated authorities in terms of paragraph (v) of article 3 of the Act to impose and administer any penalties and fines under the said Act.

Reconsideration.

28. The Minister responsible for Finance may at any time reconsider the imposition of an administrative fine or penalty under these regulations and, if he considers it appropriate and after giving reasons, may decide to reduce or withdraw any such fine or penalty.

SCHEDULE 1

(Regulation 24)

Administrative Fines

	Contravention	Infringement Fine (Lm)	Daily Fine (Lm)
1	Dual display not applied as specified in regulations.	750	75
2	No conversion table made available .	500	50
3	Prices normally displayed to three or more decimal places not displayed to the same number of decimal places in euro.	350	35
4	Acceptance of payments in euro not at the central parity rate or the irrevocably fixed conversion rate.	750	75
5	Use of FAIR mark or indication of its award by a person not awarded the mark or from whom the mark has been suspended or withdrawn.	750	75
6	Incorrect conversion and/or rounding.	750	75
7	Increase in prices or addition of any amount or charge to such prices for the sole reason that the monetary changeover is taking place.	750	75

Ippubblikat mid-Dipartiment ta' l-Informazzjoni (doi.gov.mt) — Valletta — *Published by the Department of Information (doi.gov.mt) — Valletta*
Mitbugh fl-Istamperija tal-Gvern — *Printed at the Government Printing Press*
Prezz 44ċ – *Price 44c*