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COMMISSION OF THE EUROPEAN COMMUNITIES

Brussels, 24.5.2006
COM(2006) 235 final

2005/0042 B (COD)

Amended proposal for a

DECISION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL

**establishing a programme of Community action
in the field of consumer policy (2007-2013)**

**Adaptation following the agreement of 17 May 2006
on the Financial Framework 2007-2013**

(presented by the Commission pursuant to Article 250(2) of the EC Treaty)

EXPLANATORY MEMORANDUM

1. PROCEDURE

The Commission adopted a proposal for a Decision of the European Parliament and of the Council establishing a programme of Community action in the field of health and consumer protection 2007-2013 [COM(2005) 115] on 6 April 2005.

The proposal was transmitted to the European Parliament and to the Council on 13 April 2005.

The European Economic and Social Committee adopted its opinion on the Commission proposal on 14 February 2006 (CESE 230/2006). The Committee of the Regions adopted its opinion on 16 February 2006 (CdR 149/2005).

The Conference of Presidents of the European Parliament proposed on 30 June 2005 to split the Commission proposal and assign it to both the Committee on the Environment, Public Health and Food Safety and the Committee on the Internal Market and Consumer Protection for the drawing up of two separate reports. The European Parliament, in its first reading, confirmed the splitting of the programme. It adopted 54 amendments relating to a consumer protection programme on 23 March 2006.

2. PROGRAMME FUNDING

The Commission proposal is part of the Financial Perspectives 2007-2013 under sub-heading 3B - Citizenship. The compromise agreement reached by the Trilogue at the beginning of April 2006 fell short of the initial Commission proposal, which foresaw, for the consumer protection part, a doubling by 2013 of spending compared to 2006 levels, and a tripling of public health programme spending.

With respect to consumer policy, the funding proposed by the Commission was deemed necessary to consolidate and expand the action areas of the existing consumer programme (Decision No 20/2004/EC), with a particular emphasis on consolidating the legal provisions developed so far, completing the review of the consumer *acquis* and intensifying enforcement cooperation. It was also needed to expand considerably Community activities to develop knowledge and evidence base, consumer education and capacity building for consumer organisations.

3. REVISED PROPOSAL FOR A CONSUMER POLICY PROGRAMME

In order to take into account the substantial shortfall in the programme budget, as well as the formal views expressed by the European Parliament and the European Economic and Social Committee, the Commission has decided to introduce substantial modifications to its original proposal and to submit two separate proposals for a public health programme and a consumer policy programme. These are tailored to the reduced budget.

The present proposal concerns a Decision establishing a programme of Community action in the field of consumer policy for the period 2007-2013. A separate policy document, in the form of a Consumer Policy Strategy 2007-2013, is foreseen by the end of 2006.

4. MAIN CHANGES COMPARED TO THE PROPOSAL OF 6 APRIL 2005 - COM(2005) 115

4.1. Coverage

The proposal establishes a programme of Community action in the field of consumer protection. References to public health and a joint approach between public health and consumer protection policies have been removed accordingly.

However, important elements of the common approach, such as improved communication with citizens, integration of consumer concerns into other policies, and international cooperation have been incorporated in the new proposal. The extension of the mandate of the Public Health Executive Agency to consumer policy is also maintained.

4.2. Aims, objectives and actions (Article 2 and Annex 1 of modified proposal)

The consumer objectives have been defined more tightly around two new objectives:

- (1) To ensure a high level of consumer protection, notably through improved evidence, better consultation and better representation of consumers' interests.
- (2) To ensure the effective application of consumer protection rules notably through enforcement cooperation, information, education and redress.

The number of consumer actions has been reduced from 20 to 11. The main changes can be summarised as follows:

- Several actions -e.g. on data collection and assessment, effective application, monitoring of transposition and implementation, information and redress, and education- have been merged for the sake of coherence and to reflect the more limited possibilities.
- Actions on specific projects in favour of consumer organisations have been deleted, but capacity building to consumer organisations through training has been reinforced.
- There is no longer a reference to representation of consumer interests in international standardisation bodies. This will still be supported through the work programme of European standardisation organisations. Actions for enforcement cooperation with third countries are also foreseen.
- Some of the common health and consumer actions provided for in the original proposal, e.g. on information, have been taken up in the consumer programme.

This programme provides for a list of actions from which specific actions will be selected annually in the work programme.

4.3. Methods of implementation, including programme committee (Articles 3-5, 8, 9 and Annex 2 of modified proposal)

Provisions on Community financial contributions, notably ceilings and beneficiaries, have been reformulated in line with the European Parliament's opinion and the existing consumer programme (Decision No 20/2004/EC) and take into account the changes in some of the actions (deletion of specific projects; addition of new actions).

As is the case at present, the measures necessary for the implementation of the following measures shall be adopted in accordance with the advisory procedure: annual work programme **and**, arrangements for implementing joint actions with Member States, ~~and expenditure for the functioning of European consumer organisations and European standardisation organisations.~~

Particular attention is given to Member States which have acceded on 1st May 2004, as well as to future Member States, in order to better take into account their shorter tradition of consumer policy. A specific reference to actions benefiting consumers of these countries has been added (concept of exceptional utility), in line with the wishes of the European Parliament.

4.4. Funding (Article 6)

The funding of the programme is aligned to the outcome of the Financial Perspectives 2007-2013. The consumer part of the joint proposal amounted to approximately €234 million. The consumer proposal, in line with the outcome of the Financial Perspectives negotiations, is for €156,8 million (current prices), including the consumer contribution towards the running of the executive agency.

Amended proposal for a

DECISION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL

**establishing a programme of Community action in the field of ~~health and consumer~~
~~protection policy~~ (2007-2013)**

(Text with EEA relevance)

THE EUROPEAN PARLIAMENT AND THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty establishing the European Community, and in particular Articles 152 and 153 thereof,

Having regard to the proposal from the Commission¹,

Having regard to the opinion of the European Economic and Social Committee²,

Having regard to the opinion of the Committee of the Regions³,

Acting in accordance with the procedure laid down in Article 251 of the Treaty⁴,

Whereas:

- (1) The Community can contribute to protecting the health, safety and economic interests of citizens through actions in the fields of ~~public health and~~ consumer protection.
- (2) It is therefore appropriate to establish a programme of Community action on ~~health and consumer protection~~ **policy**, replacing ~~Decision No 1786/2002/EC of the European Parliament and of the Council of 23 September 2002 adopting a programme of Community action in the field of public health (2003-2008)⁵ and Decision No 20/2004/EC of the European Parliament and of the Council of 8 December 2003 establishing a general framework for financing Community actions in support of consumer policy for the years 2004 to 2007⁶. These ~~is~~ Decisions should therefore be repealed.~~
- (3) ~~Whilst maintaining the core elements and specificities of actions on health and consumer protection, a single integrated programme should help to maximise synergies in objectives and efficiency in administration of actions in these areas.~~

¹ OJ C , , p. .

² **OJ C 88, 11.4.2006, p. 1.**

³ OJ C , , p. .

⁴ OJ C , , p. .

⁵ OJ L 271, 9.10.2002, p. 1. Decision as amended by Decision No 786/2004/EC (OJ L 138, 30.4.2004, p. 7)

⁶ OJ L 5, 9.1.2004, p. 1. Decision as amended by Decision No 786/2004/EC (**OJ L 138, 30.4.2004, p. 7.**)

~~Combining health and consumer protection activities in a single programme should help to meet joint objectives on protecting citizens from risks and threats, increasing the ability for citizens to have the knowledge and opportunity to make decisions in their interests and supporting mainstreaming of health and consumer objectives in all Community policies and activities. Combining administrative structures and systems should enable more efficient implementation of the programme and help to make best use of available Community resources for health and consumer protection.~~

- ~~(4) Health and consumer protection policies share common objectives relating to protection against risks, improving decision making of citizens and integrating health and consumer protection interests in all Community policies, as well as common instruments such as communication, capacity building for civil society regarding health and consumer protection issues, and promoting international cooperation on these issues. Issues such as diet and obesity, tobacco and other consumption related choices related to health are examples of cross-cutting issues affecting both health and consumer protection.~~

~~Taking a joint approach to these common objectives and instruments will enable activities common to both health and consumer protection to be undertaken more efficiently and effectively. There are also separate objectives relating to each of the two areas of health and consumer protection which should be addressed through actions and instruments specific to each of the two areas.~~

- ~~(35) **Integrating consumer interests in all Community policies, in accordance with Article 153 of the Treaty, should be given high priority, together with the consumer policy objectives set out in this programme.** Coordination with other Community policies and programmes is a key part of the joint objective of mainstreaming health and **ensuring that consumer policies interests are fully taken into account** in other policies. In order to promote synergies and avoid duplication, ~~appropriate use will be made of other Community funds and programmes including the Community framework programmes for research and their outcomes, the Structural Funds, and the Community Statistical Programme.~~ **should provide for financial support for the integration of consumer interests in their respective fields.**~~

- ~~(46) It is of general European interest that the health **and**, safety **of services and non-food products**, **and the** economic interests of citizens, as well as consumer interests in the development of standards for products and services, be represented at Community level. ~~Key objectives of the programme may also depend on the existence of specialised networks that also require Community contributions to enable them to develop and function.~~ Given the particular nature of the organisations concerned ~~and in cases of exceptional utility~~, the renewal of Community support to the functioning of such organisations should not be subject to the principle of gradual decrease of the extent of Community support.~~

- ~~(57) Implementation of the programme should build upon and extend existing actions and structural arrangements in the fields of public health and consumer protection including the Executive Agency for the Public Health Programme set up by Commission Decision 2004/858/EC⁷. Implementation should be carried out in close~~

⁷ OJ L 369, 16.12.2004, p. 73.

~~cooperation with relevant organisations and agencies, in particular with the European Centre for Disease Prevention and Control⁸ established by Regulation (EC) No 851/2004 of the European Parliament and of the Council.~~**The existing executive agency, set up for the Public Health Programme, should assist in the implementation of the proposed new consumer programme. To increase cost-efficiency and exploit economies of scale, the same agency could also assist in the implementation of the consumer programme as well as in the implementation of food safety training measures. The Commission envisages to modify accordingly its Decision of 15 December 2004 setting up the executive agency.**

~~(68)~~ The measures necessary for the implementation of this Decision should be adopted in accordance with Council Decision 1999/468/EC of 28 June 1999 laying down the procedures for the exercise of implementing powers conferred on the Commission⁹, respecting the need for transparency as well as a reasonable balance between the different objectives of the programme.

(7) Implementation of the programme should take into account that the internal market will not function properly if consumers are less well protected in some Member States than they are in others. The programme should therefore put a special focus on consumer protection and consumer awareness in the Member States which have acceded since 1 May 2004, in order to ensure a level playing field for all Member States of the European Union.

~~(89)~~ The Agreement on the European Economic Area (hereinafter referred to as the EEA Agreement) provides for cooperation in the fields of ~~health and~~ consumer protection between the European Community and its Member States, on the one hand, and the countries of the European Free Trade Association participating in the European Economic Area (hereinafter referred to as the EFTA/EEA countries), on the other. Provision should also be made to open the programme to participation by other countries, in particular the neighbouring countries of the Community, countries that are applying for, candidates for or acceding to membership of the Community, ~~taking particular account of the potential for threats to health arising in other countries to have an impact within the Community.~~

~~(910)~~ ~~Appropriate relations with third countries not participating in the programme should be facilitated in order to help achieve the objectives of the programme,~~**In the context of implementation of the programme, cooperation with third countries not participating in the programme should be encouraged,** taking account any relevant agreements between those countries and the Community. ~~This may involve third countries taking forward complementary activities to those financed through this programme on areas of mutual interest, but will not involve a financial contribution under this programme.~~

~~(11)~~ ~~It is appropriate to develop cooperation with relevant international organisations such as the United Nations and its specialised agencies including the World Health Organisation, as well as with the Council of Europe and the Organisation for Economic Cooperation and Development with a view to implementing the programme~~

⁸ OJ L 142, 30.4.2004, p. 1.

⁹ OJ L 184, 17.7.1999, p. 23.

through maximising the effectiveness and efficiency of actions relating to health and consumer protection at Community and international level, taking account of the particular capacities and roles of the different organisations.

~~(11) In order to increase~~ **The value and impact of the measures taken under the programme there should be regularly monitored and evaluated, including by independent external evaluators, of the measures taken. For purposes of evaluating consumer policy, as far as possible measurable objectives should be formulated and valid indicators developed.**

~~(12) Since the objectives of the action to be taken on health and consumer protection cannot be sufficiently achieved by the Member States due to the trans-national nature of the issues involved, and can therefore by reason of the potential for Community action to be more efficient and effective than national action alone in protecting the health, safety and economic interests of citizens,~~ **be better achieved at Community level, the Community may adopt measures, in accordance with the principle of subsidiarity set out in Article 5 of the Treaty. Indeed, Community action may be potentially more efficient and effective than national action alone in protecting the health, safety and economic interests of citizens.** In accordance with the principle of proportionality, as set out in that Article, this decision does not go beyond what is necessary in order to achieve those objectives.

~~(13) The Commission should ensure an appropriate transition between this programme and the two programmes it replaces, in particular regarding the continuation of multiannual measures and administrative support structures such as the Executive Agency for the Public Health Programme.~~ **It is appropriate to ensure a transition between this programme and the previous programme it replaces, in particular regarding the continuation of multi-annual measures, as well as evaluation of the successes of the previous programme and of areas that need more attention. As of 1.1.2014, the technical and administrative assistance will ensure, if necessary, the management of actions not yet finalised by the end of 2013.**

~~HAVE ADOPTED THIS DECISION~~ **HAVE DECIDED HAS FOLLOWS:**

Article 1

Establishment of the programme

A programme of Community action in the field of ~~health and consumer protection~~ **policy** covering the period from ~~1 January 2007~~ **the day of entry into force of this Decision** to 31 December 2013, hereinafter referred to as ‘the programme’ is hereby established.

Article 2

Aim and objectives

1. **The aim of this programme will be fulfilled through a combination of actions drawn from the list of actions and instruments set out in Annex 1 to this Decision, according to the needs.**

~~2.1.~~ The programme shall complement, ~~and support~~ **and monitor** the policies of the Member States and shall contribute to protecting the health, safety and economic interests of ~~citizens~~ **consumers as well as to promoting their right to information, education and to organise themselves in order to safeguard their interests.**

~~3.2.~~ The aim referred to in paragraph ~~2~~ shall be pursued through **the following** ~~common objectives together with specific objectives in the fields of health and consumer protection~~ **to be achieved through the actions and instruments set out in Annex 1 to this Decision:**

(a) To ensure a high level of consumer protection, notably through improved evidence, better consultation and better representation of consumers' interests.

(b) To ensure the effective application of consumer protection rules notably through enforcement cooperation, information, education and redress.

~~(a) The common objectives for health and consumer protection to be pursued through the actions and instruments set out in Annex 1 to this Decision shall be:~~

~~— to protect citizens from risks and threats that are beyond the control of individuals;~~

~~— to increase the ability of citizens to take better decisions about their health and consumer interests;~~

~~— and to mainstream health and consumer policy objectives.~~

~~(b) The specific health objectives to be pursued through the actions and instruments set out in Annex 2 to this Decision shall be:~~

~~— to protect citizens against health threats;~~

~~— to promote policies that lead to a healthier way of life;~~

~~— to contribute to reducing the incidence of major diseases;~~

~~— and to improve efficiency and effectiveness in health systems.~~

~~(c) The specific consumer protection objectives to be pursued through the actions and instruments set out in Annex 3 to this Decision shall be:~~

~~— a better understanding of consumers and markets;~~

~~— better consumer protection regulation~~

~~— better enforcement, monitoring and redress;~~

~~— and better informed and educated and responsible consumers.~~

Article 3

Methods of implementation

1. Actions in pursuit of the aims and objectives set out in Article 2 shall make full use of appropriate available methods of implementation, including, in particular, direct or indirect implementation by the Commission on a centralised basis.
~~(b) — and joint management with international organisations.~~

Article 4

Financial contributions

- ~~1.~~2. For the purpose of paragraph 1(a) Article 3 above, ~~f~~financial contributions by the Community shall not exceed the following levels:
 - ~~(a)~~ ~~60% for an action intended to help achieve an objective forming part of a Community policy within the field of health and consumer protection, except in cases of exceptional utility where the Community contribution shall not exceed 80%; and,~~ **50% of the costs of actions jointly financed by the Community and one or more Member States, or by the Community and the competent authorities of the third countries participating pursuant to Article 10, except in cases of exceptional utility where the Community contribution shall not exceed 70%;**
 - ~~(b)~~ **85% of the costs of actions intended to develop Master degree courses in consumer issues.;**
 - ~~(bc)~~ ~~60%~~**50%** of expenditure for the functioning of **European consumer organisations;** ~~a body pursuing an aim of general European interest where such support is necessary to ensure representation of health or consumer interests at Community level or to implement key objectives of the programme, except in cases of exceptional utility where the Community contribution shall not exceed 95%. The renewal of such financial contributions may be exempted from the principle of gradual decrease.;~~
 - ~~(d)~~ **95% of expenditure for the functioning of European consumer organisations representing consumer interests in the development of standards for products and services at Community level.**

- ~~3.~~ For the purpose of paragraph 1(a) above, financial contributions by the Community may, where appropriate given the nature of the objective to be achieved, include joint financing by the Community and one or more Member States or by the Community and the competent authorities of other participating countries. In this case, the Community contribution shall not exceed 50%, except in cases of exceptional utility, where the Community contribution shall not exceed 70%. These Community contributions may be awarded to a public body or a non-profit-making body designated by the Member State or the competent authority concerned and agreed by the Commission.

- 2. Financial contributions by the Community may take the form of:**
- (a) scholarship grants for individual mobility of teachers and students. The management of these grants may be entrusted to the Erasmus National Agencies of the Life Long Learning programme.**
 - (b) travel and subsistence allowances for the exchange of enforcement officials.**
- 3. The criteria for assessing whether or not exceptional utility as referred to in paragraph 1(a) above applies shall be established in advance in the annual work plan referred to in Article 9(1)(a). Actions proposed with these criteria should benefit, in particular, consumers from Member States which have acceded to the European Union since 1 May 2004.**
- 4. The renewal of financial contributions set out in paragraphs 1(c) and 1(d) above shall be exempted from the principle of gradual decrease.**
- 4.5. For the purpose of paragraphs 1(a) and 2 above, financial contributions by the Community may also be given in the form of flat-rate **or lump sum** financing where this is suited to the nature of the actions concerned **as defined in the annual work plan referred to in Article 9**. For ~~these~~ such financial contributions **provided for in paragraph 1**, the percentage limits stipulated in paragraphs 2 and 3 above shall not apply, **although co-financing is still required**. The criteria for selecting, monitoring and evaluating such actions shall be adapted as necessary.**

Article 5

Beneficiaries

- 1. A definition of beneficiaries of the financial contributions indicated in Article 4 above is provided in Annex 2 to this Decision.**

Article 4

Implementation of the programme

~~The Commission shall ensure the implementation of the programme in accordance with the provisions of Article 7.~~

Article 65

Funding

1. The financial framework for the implementation of the programme for the period specified in Article 1 is EUR ~~4 203 million~~ **156,8 million**¹⁰.

¹⁰ **EUR 138,8 million in 2004 prices.**

2. Annual appropriations shall be authorised by the budgetary authority within the limits of the financial framework.

Article 75

Administrative and Technical assistance

- 1. The financial allocation of this programme may also cover expenses pertaining to preparatory, monitoring, control, audit and evaluation activities, required directly for the management of the programme and the realisation of its objectives, in particular studies, meetings, information and publication actions, expenses linked to informatic networks focusing on information exchange, together with all other technical and administrative assistance expense that the Commission may have recourse to for the management of the programme.**
- 2. It may also cover technical and administrative assistance expenses necessary to ensure the transition between this Programme and the measures adopted under Decision No 20/2004/EC. If necessary, appropriations could be entered in the budget beyond 2013 to cover these expenses, to enable the management of actions not yet completed by 31 December 2013.**

Article 86

Committee

1. The Commission shall be assisted by a Committee (hereinafter ‘the Committee’).
- ~~2. Where reference is made to this paragraph, Articles 4 and 7 of Decision 1999/468/EC shall apply, having regard to the provisions of Article 8 thereof. The period laid down in Article 4(3) of Decision 1999/468/EC shall be set at two months.~~
- ~~32.~~ Where reference is made to this paragraph, Articles 3 and 7 of Decision 1999/468/EC shall apply, having regard to the provisions of Article 8 thereof.
- ~~43.~~ The Committee shall adopt its rules of procedure.

Article 97

Implementation measures

1. The measures necessary for the implementation of this Decision relating to the following shall be adopted in accordance with the ~~management~~ procedure referred to in Article ~~86~~(2):
 - (a) the annual plan of work for the implementation of the programme, setting out:
 - priorities and actions to be undertaken, including the allocation of **financial** resources and relevant criteria;

- selection and award criteria and criteria for the percentage of Community financial contribution;
 - use made of flat rate and lump sum financing;
 - the planned timing of the calls for tenders, the joint actions and the calls for proposals;
- (b) ~~the arrangements for evaluating the programme referred to in Article 10.~~ the arrangements, including selection and award criteria, for implementing the actions referred to in Article 4(1)(a).

22. The Commission shall adopt any other measures necessary for the implementation of this Decision. The Committee shall be informed of them.

Article 108

Participation of third countries

The programme shall be open to the participation of:

- (a) the EFTA/EEA countries in accordance with the conditions established in the EEA Agreement;
- (b) and third countries, in particular countries covered by ~~in~~ the European Neighbourhood Policy, countries that are applying for, candidates for or acceding to membership of the Union, and the western Balkan countries included in the stabilisation and association process, in accordance with the conditions laid down in the respective bilateral or multilateral agreements establishing the general principles for their participation in Community programmes.

Article 9

International cooperation

~~In the course of implementing the programme, relations with third countries that are not participating in the programme and relevant international organisations shall be encouraged.~~

Article 110

Monitoring, evaluation and dissemination of results

1. The Commission, in close cooperation with the Member States, shall monitor the implementation of the actions of the programme in the light of its objectives. It shall report to the Committee referred to in Article 8, and shall keep the Council and Parliament informed.
2. At the request of the Commission, Member States shall submit information on the implementation and impact of this programme.

3. The Commission shall ensure that the programme is evaluated three years after its start and following the end of the programme. The Commission shall communicate the conclusions thereof, accompanied by its comments, to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions.
4. — The Commission shall make the results of actions undertaken in accordance with this Decision publicly available ~~and shall ensure their dissemination.~~

Article ~~12~~

Repeal

Decisions No ~~1786/2002/EC~~ and No 20/2004/EC are ~~is~~ repealed **from the day of entry into force of this Decision.**

Article 12

~~Transitional measures~~

~~The Commission shall adopt any measures necessary to ensure the transition between the measures adopted under Decisions No 1786/2002/EC and No 20/2004/EC and those to be implemented under this programme.~~

Article 13

Final provision

This Decision shall enter into force on the day following that of its publication in the *Official Journal of the European Union*.

Done at Brussels,

For the European Parliament
The President

For the Council
The President

~~ANNEX 1~~

~~Strengthening synergies through common actions and instruments~~

~~Objectives~~

- ~~1. To protect citizens from risks and threats that are beyond the control of individuals (e.g. health threats which affect the society as a whole, unsafe products, unfair commercial practices).~~
- ~~2. To increase the ability of citizens to take better decisions about their health and consumer interests.~~
- ~~3. To mainstream health and consumer policy objectives.~~

~~Actions and instruments~~

- ~~1. Improve communication with EU citizens on health and consumer issues~~
 - ~~1.1. Awareness raising campaigns.~~
 - ~~1.2. Surveys.~~
 - ~~1.3. Conferences, seminars, experts and stakeholders meetings.~~
 - ~~1.4. Publications on issues of interest for health and for consumer policy.~~
 - ~~1.5. Provision of online information.~~
 - ~~1.6. Developing and use of information points.~~
- ~~2. Increase civil society and stakeholders' participation in policy making related to health and consumer protection~~
 - ~~2.1. Promote and strengthen Community level consumer and health organisations.~~
 - ~~2.2. Training and capacity building for consumer and health organisations.~~
 - ~~2.3. Networking of non-governmental consumer and health organisations and other stakeholders.~~
 - ~~2.4. Strengthening of Community level consultative bodies and mechanisms.~~
- ~~3. Develop a common approach for integrating health and consumer concerns into other Community policies~~
 - ~~3.1. Development and application of methods to assess the impact of Community policies and activities on health and consumer interests.~~
 - ~~3.2. Exchange best practice with Member States on national policies.~~
 - ~~3.3. Studies on impact of other policies on health and consumer protection.~~
- ~~4. Promote international co-operation related to health and consumer protection~~

- ~~4.1. Co-operation measures with international organisations.~~
- ~~4.2. Co-operation measures with third countries who are not participating in the programme.~~
- ~~4.3. Encourage health and consumer organisations' dialogue.~~
- ~~5. Improve the early detection, evaluation and communication of risks by:~~
 - ~~5.1. Supporting scientific advice and risk evaluation, including the tasks of the independent scientific committees established by Commission Decision 2004/210/EC¹¹.~~
 - ~~5.2. The collection and collation of information and establishment of networks of specialists and institutes.~~
 - ~~5.3. Promoting the development and harmonisation of risk assessment methodologies.~~
 - ~~5.4. Actions for collecting and assessing information on the exposure of populations and sub-groups to chemical, biological and physical hazards to health.~~
 - ~~5.5. Establishing mechanisms concerning early detection of emerging risks and action on newly identified risks.~~
 - ~~5.6. Strategies to improve risk communication.~~
 - ~~5.7. Training in risk assessment.~~
- ~~6. Promote the safety of goods and of substances of human origin~~
 - ~~6.1. Analysis of injury data and development of best practice guidelines in relation to the safety of consumer products and services.~~
 - ~~6.2. Development of methodologies and database maintenance for the purpose of data collection on injuries in relation to the safety of consumer products.~~
 - ~~6.3. Activities to help enhance the safety and quality of organs and substances of human origin, including blood, blood components and blood precursors.~~
 - ~~6.4. Promoting the availability and accessibility across the Community of organs and substances of human origin of high quality and safety for medical treatments.~~
 - ~~6.5. Technical assistance for the analysis of issues related to the development and implementation of policies and legislation.~~

¹¹ OJ L 66, 4.3.2004, p. 45.

~~**ANNEX 2-**~~
~~**HEALTH**~~

~~**ACTIONS AND SUPPORT MEASURES**~~

~~**Objective one: protect citizens against health threats**~~

~~**1. ENHANCE SURVEILLANCE AND CONTROL OF HEALTH THREATS BY**~~

- ~~1.1. Enhancing the capacity to tackle communicable diseases by supporting the further implementation of Decision No 2119/98/EC on the Community network on the epidemiological surveillance and control of communicable diseases;~~
- ~~1.2. Developing strategies and mechanisms for preventing, exchanging information on and responding to non-communicable disease threats;~~
- ~~1.3. Exchanging information on strategies and developing joint strategies to detect and obtain reliable information on health threats from physical, chemical or biological sources, including those relating to deliberate release acts, and developing and using, when appropriate, Community approaches and mechanisms;~~
- ~~1.4. Improving laboratory co-operation to assure high quality diagnostic capabilities for pathogens across the Community, including a Community reference laboratory structure for pathogens requiring enhanced Community collaboration;~~
- ~~1.5. Developing new and improved prevention, vaccination and immunisation policies, partnerships and tools and monitoring immunisation status;~~
- ~~1.6. Developing and implementing vigilance networks and reporting systems for adverse events when using preventive health measures and substances of human origin;~~
- ~~1.7. Technical assistance for the analysis of issues related to the development and implementation of policies and legislation.~~

~~**2. DELIVER RESPONSE TO HEALTH THREATS BY**~~

- ~~2.1. Elaborating risk management procedures for health emergencies and enhancing capability for coordinated responses to health emergencies;~~
- ~~2.2. Developing and maintaining capacity for appraising and addressing the needs and gaps in preparedness and response and for rapid and reliable communications and consultation on counter-measures;~~
- ~~2.3. Developing risk communication strategies and tools for information and guidance to the public, and health professionals, and improving awareness and interaction among actors;~~

- ~~2.4. Developing strategies and procedures for drawing up, testing, evaluating and revising general contingency and specific health emergency plans and their inter-operability between Member States and conducting exercises and tests;~~
- ~~2.5. Developing strategies and mechanisms for reviewing and improving the availability and adequacy of, and access to facilities (e.g. laboratories) and equipment (detectors etc), as well as readiness, surge capacity and infrastructure of the health sector to react rapidly;~~
- ~~2.6. Developing strategies and mechanisms for assessing the need for and promoting the establishment of public health assets that can be deployed rapidly in emergencies and setting up mechanisms and procedures for health assets transfer to requesting states and international organisations;~~
- ~~2.7. Establishment and maintenance of a trained and permanently available core group of public health experts for global rapid deployment to places of major health crises together with mobile laboratories, protective equipment and isolation facilities.~~

Objective 2: promote policies that lead to a healthier way of life

3. PROMOTE HEALTH BY TACKLING DETERMINANTS

~~Actions will support the preparation, development and implementation of activities, strategies and measures on health determinants by addressing:~~

- ~~3.1. Health determinants linked to addictions, notably tobacco, alcohol and drugs and other addictive substances;~~
- ~~3.2. Lifestyle related health determinants, notably nutrition and physical activity, sexual health and reproductive health;~~
- ~~3.3. Social and economic determinants of health, with a particular focus on inequalities in health and on the impact of social and economic factors on health;~~
- ~~3.4. Environmental determinants of health, with a particular emphasis on the health impact of environmental factors;~~
- ~~3.5. The quality, efficiency and cost effectiveness of public health interventions;~~
- ~~3.6. Support for public awareness activities, training and capacity building actions related to the priorities set out in the previous paragraphs;~~
- ~~3.7. Technical assistance for the analysis of issues related to the development and implementation of policies and legislation.~~

Objective 3: contribute to reducing the incidence of major diseases

~~4. PREVENT DISEASES AND INJURIES~~

~~In coordination with work on health determinants, the programme shall support:~~

- ~~4.1. Development and implementation of actions on major diseases of particular significance in view of the overall burden of disease in the Community where Community action can provide significant added value to national efforts;~~
- ~~4.2. Preparation and implementation of strategies and measures on disease prevention, in particular by identifying best practice and developing guidelines and recommendations, including on secondary prevention, screening and early detection;~~
- ~~4.3. Exchange of best practice and knowledge as well as the coordination of strategies to promote mental health and to prevent mental illness;~~
- ~~4.4. Preparation and implementation of strategies and measures on prevention of injuries;~~
- ~~4.5. Support for knowledge exchange, training and capacity building actions related to the diseases addressed and injury prevention.~~

Objective 4: improving effectiveness and efficiency in health systems

~~5. ACHIEVE SYNERGIES BETWEEN NATIONAL HEALTH SYSTEMS BY~~

- ~~5.1. Facilitating cross border healthcare purchasing and provision, including information gathering and exchange to enable sharing of capacity and use of cross border care;~~
- ~~5.2. Sharing information on and managing the consequences of the mobility of health professionals;~~
- ~~5.3. Establishing a Community system for cooperation on centres of reference and other collaborative structures between health systems of more than one Member State;~~
- ~~5.4. Developing a network for strengthening the capacity to develop and share information and assessments regarding health technologies and techniques (health technology assessment);~~
- ~~5.5. Providing information for patients, professionals and policy makers, on health systems and medical care in liaison with overall health information actions, and including mechanisms for sharing and disseminating information with the action plan for a European e-health area;~~
- ~~5.6. Developing instruments for assessing the impact of Community policies on health systems;~~

~~5.7. Developing and implementing actions to promote patient safety and high-quality care;~~

~~5.8. Supporting health systems policy development, in particular linked to the open method of coordination on healthcare and long-term care.~~

Actions contributing to all the above objectives:

~~6. TO IMPROVE HEALTH INFORMATION AND KNOWLEDGE FOR THE DEVELOPMENT OF PUBLIC HEALTH BY:~~

~~6.1. Continue further developing a sustainable health monitoring system, paying special attention to health inequalities and covering data on health status, health determinants, health systems and injuries; the statistical element of this system will be further developed, using as necessary the Community Statistical Programme.~~

~~6.2. Providing other relevant health-related knowledge;~~

~~6.3. Defining relevant additional indicators;~~

~~6.4. Developing appropriate mechanisms of reporting;~~

~~6.5. Arranging for regular collection of such information, together with the Statistical Programme, international organisations, agencies and through projects;~~

~~6.6. Supporting analysis of Community health issues through regular Community health reports, the maintenance of diffusion mechanisms such as the Health Portal, support for consensus conferences and targeted information campaigns coordinated between concerned parties;~~

~~6.7. Focusing on providing a regular and reliable source of information to citizens, to decision makers, to patients, carers, health professionals and to other interested parties;~~

ANNEX 3:
Consumer Policy – Actions and Support Measures

ANNEX 1:
Actions and instruments referred to in Article 2

Objective I - ~~A better understanding of consumers and markets~~ **To ensure a high level of consumer protection, notably through improved evidence, better consultation and better representation of consumers' interests.**

Action 1: ~~Monitoring and assessment of market developments with an impact on the economic and other interests of consumers, including price surveys, inventory and analysis of consumer complaints, analysis of cross border marketing and business to consumer purchases, and surveys of changes in the structure of markets.~~

Action 2: ~~The collection and exchange of data and information that provide an evidence base for the development of consumer policy and for the integration of consumer interests in other Community policies, including surveys of consumer and business attitudes, consumer related and other market research in the financial services area, collection and analysis of statistical and other relevant data, the statistical element of which will be developed using as necessary the Community Statistical Programme.~~

Action 1: The collection, exchange, and analysis of data and information that provide evidence for the development of consumer policy and for the integration of consumer interests in other Community policies, including:

1.1. Monitoring and assessment of market developments with an impact on the economic and other interests of consumers, including studies, price surveys, surveys of changes in the structure of markets, surveys of consumers and business, collection and analysis of consumer complaints, collection and analysis of data on cross-border business-to-consumer trade and markets.

1.2. Development and maintenance of databases.

1.3. Collection and analysis of statistical and other relevant data, the statistical element of which will be developed using as appropriate the Community Statistical Programme.

Action 2: The collection, exchange, analysis of data and information, and development of assessment tools that provide a scientific evidence base on the safety of consumer goods and services, including consumer exposure to chemicals released from products, risks and injuries in relation to specific consumer products and services and technical analysis of alert notifications.

Objective II ~~Better consumer protection regulation~~

Action 3: Support for scientific advice and risk evaluation, including the tasks of the independent scientific committees established by Commission Decision

2004/210/EC setting up Scientific Committees in the field of consumer safety, public health and the environment¹².

Action 4: Preparation of legislative and other regulatory initiatives and promotion of self-regulatory initiatives, including:

- 4.1. **Legal and technical expertise, including studies, in relation to regulation and its impact.** ~~Comparative analysis of markets and regulatory systems~~
- 4.2. Legal and technical expertise, **including studies, in relation to policy making development on the safety of products and services and the economic interests of consumers.**
- 4.3. **Legal and technical expertise, including studies,** in relation to assessment of the need for product safety standards and the drafting of CEN standardisation mandates for products and services.
- 4.4. ~~Legal and technical expertise for policy development on the economic interests of consumers~~
- 4.5. **Seminars, conferences, workshops and meetings of** with stakeholders and experts.

Action 5: Financial contributions to the functioning of European consumer organisations.

Action 6: Financial contributions to the functioning of European consumer organisations representing consumer interests in the development of standards for products and services at Community level.

Action 7: Capacity building for regional, national and European consumer organisations, notably through training for staff members, in particular for consumer organisations in the Member States which have acceded to the European Union since 1 May 2004.

Objective III – Better enforcement, monitoring and redress

Objective II - To ensure the effective application of consumer protection rules notably through enforcement cooperation, information, education and redress.

Action 5: ~~Coordination of surveillance and enforcement actions linked to the application of consumer protection legislation, including:~~

- 5.1. ~~Development and maintenance of IT tools (e.g. databases, information and communication systems)~~
- 5.2. ~~Training, seminars, conferences on enforcement~~
- 5.3. ~~Planning and development of joint enforcement actions~~

¹² OJ L 66, 4.3.2004, p. 45.

5.4. Pilot joint enforcement actions

5.5. Analysis of enforcement problems and solutions

~~Action 68:~~ Financial contributions for specific joint surveillance and enforcement actions to improve the effective application of administrative and enforcement cooperation on Community consumer protection legislation, including notably Directive 2001/95/EC on the general product safety¹³ and Regulation (EC) No 2006/2004 on cooperation between national authorities responsible for the enforcement of consumer protection laws¹⁴, including and other actions in the context of administrative cooperation.

8.1. Actions to improve the coordination of surveillance and enforcement and cooperation between competent authorities, including the development and maintenance of IT tools (e.g. databases, information and communication systems) and the organisation of seminars, conferences, workshops and meetings of stakeholders and experts on enforcement, exchanges of enforcement officials and training, also for members of the judiciary.

~~Action 78:~~**2. Monitoring and assessment of the safety of non-food products and services, including the reinforcement and extension of the scope and operation of the RAPEX alert system, taking developments in market surveillance information exchange into account, and the further development of the consumer product safety network as provided for in Directive 2001/95/EC on general product safety.**

~~7.1. Reinforcement and extension of the scope and operation of the RAPEX alert system, taking developments in market surveillance information exchange into account~~

~~7.2. Technical analysis of alert notifications~~

~~7.3. Collection and assessment of data on the risks posed by specific consumer products and services~~

~~7.4. Further development of the consumer product safety network as provided for in Directive 2001/95/EC of the European Parliament and of the Council¹⁵.~~

8.3. Joint surveillance and enforcement actions and other actions in the context of administrative and enforcement cooperation.

8.4. Actions for administrative and enforcement cooperation with third countries which are not participating in the programme.

¹³ OJ L 11, 15.1.2002, p. 4.

¹⁴ OJ L 364, 9.12.2004, p. 1.

¹⁵ OJ L 11, 15.1.2002, p. 4.

Action 8: ~~Monitoring of the functioning and assessment of the impact of alternative dispute resolution schemes on consumers.~~

Action 9: **Legal and technical expertise, including studies, for the monitoring and assessment of the transposition, and implementation and enforcement of consumer protection legislation by Member States, notably Directive 2005/29/EC on unfair business-to-consumer commercial practices¹⁶ the Unfair Commercial Practices Directive and Regulation (EC) No 2006/2004 on cooperation between national authorities responsible for the enforcement of consumer protection laws, and of national consumer policies. This also includes the development and maintenance of easily and publicly accessible databases covering the transposition and implementation of Community consumer protection legislation.**

Action 10: Actions on information, advice and redress, including

10.1. Monitoring of the functioning and assessment of the impact of alternative dispute resolution schemes.

10.2. Financial contributions for joint actions with public or non-profit bodies constituting Community networks that provide information and assistance to consumers to help them exercise their rights and obtain access to appropriate dispute resolution (the European Consumer Centres Network).

10.3. Actions improving communication with EU citizens on consumer issues, especially in the Member States which have acceded to the European Union since 1 May 2004, including publications on issues of interest for consumer policy, provision of on-line information, and information actions about consumer protection measures and consumer rights.

Action 10: ~~Provision of specific technical and legal expertise to consumer organisations to support their contribution to enforcement and surveillance actions.~~

~~Objective IV. Better informed, and educated and responsible consumers~~

Action 11: ~~Development and maintenance of easily and publicly accessible databases covering the application of and case law on Community consumer protection legislation.~~

Action 12: ~~Information actions about consumer protection measures, particularly in the new Member States, in cooperation with their consumer organisations.~~

Action 13~~11: Actions on~~ **Consumer education, including**

11.1. the Specific actions targeted at young consumers, older consumers and specific groups of consumers who are clearly less able to defend their interests, and the development of interactive consumer education tools.

¹⁶ OJ L 149, 11.6.2005, p. 22.

11.2. Financial contributions for the development of European integrated Master Degree courses in consumer issues, including a scholarships scheme corresponding to up to six months in a different country.

~~Action 14: — Representation of the interests of Community consumers in international forums, including international standardisation bodies and international trade organisations.~~

~~Action 15: — Training for staff members of regional, national and Community consumer organisations and other capacity building actions.~~

~~Action 16: — Financial contributions for joint actions with public or non-profit bodies constituting Community networks that provide information and assistance to consumers to help them exercise their rights and obtain access to appropriate dispute resolution (the European Consumer Centres Network).~~

~~Action 17: — Financial contributions to the functioning of Community consumer organisations representing consumer interests in the development of standards for products and services at Community level.~~

~~Action 18: — Financial contributions to the functioning of Community consumer organisations.~~

~~Action 19: — Provision of specific technical and legal expertise to consumer organisations to support their participation in, and input into, consultation processes on Community legislative and non-legislative policy initiatives, in relevant policy areas, such as internal market policies, services of general interest and the 10 year framework programme on sustainable production and consumption.~~

~~[Common to all the two objectives~~

~~Action 20: — Financial contributions for specific projects at Community or national level in support of other consumer policy objectives, including projects promoting the cross-border exchange of information and best practices.]~~

ANNEX 2:
Beneficiaries – Criteria for application of Article 4

- 1. The financial contributions for actions referred to in Article 4(1)(a) may be awarded to a public body or a non-profit-making body designated through a transparent procedure by the Member State or the competent authority concerned and agreed by the Commission.**
- 2. The financial contributions for actions referred to in Article 4(1)(b) may be awarded to higher education institutions of the Member States or third countries participating pursuant to Article 10 of this Decision, as defined in Decision No 2317/2003/EC establishing a programme for the enhancement of quality in higher education and the promotion of intercultural understanding through cooperation with third countries (Erasmus Mundus)¹⁷.**
- 3. The financial contributions for actions referred to in Article 4(2)(a) may be awarded to students and teachers participating in the Master degree courses in consumer issues benefiting from co-financing under Article 4(1)(b) of this Decision.**
- 4. The financial contributions for actions referred to in Article 4(2)(b) may be awarded to consumer protection enforcement officials as per Regulation (EC) No 2006/2004 on cooperation between national authorities responsible for the enforcement of consumer protection laws and Directive 2001/95/EC on general product safety.**
- 5. The financial contributions for actions referred to in Article 4(1)(c) may be awarded to European consumer organisations which:**
 - (a) are non-governmental, non-profit making, independent of industry, commercial and business or other conflicting interests, and have as their primary objectives and activities the promotion and protection of the health, safety and economic interests of consumers in the Community;**
 - (b) have been mandated to represent the interests of consumers at Community level by national consumer organisations in at least half of the Member States that are representative, in accordance with national rules or practice, of consumers and are active at regional or national level, and**
 - (c) have provided to the Commission satisfactory accounts of their membership, internal rules and sources of funding.**
- 6. The financial contributions for actions referred to in Article 4(1)(d) may be awarded to European consumer organisations which:**
 - (a) are non-governmental, non-profit-making, independent of industry, commercial and business or other conflicting interests, and have as their**

¹⁷ OJ L 345, 31.12.2003, p. 1.

primary objectives and activities to represent consumer interests in the standardisation process at Community level;

(b) have been mandated in at least two thirds of the Member States to represent the interests of consumers at Community level:

- **by bodies representative, in accordance with national rules or practice, of national consumer organisations in the Member States, or**
- **in the absence of such bodies, by national consumer organisations in the Member States that are representative, in accordance with national rules or practice, of consumers and are active at national level;**

(c) have provided to the Commission satisfactory accounts of their membership, internal rules and sources of funding.

LEGISLATIVE FINANCIAL STATEMENT

1. NAME OF THE PROPOSAL:

Consumer policy programme 2007-2013

2. ABM / ABB FRAMEWORK

Policy area: Consumer Protection (SANCO, Title 17)

Activities: Consumer protection

3. BUDGET LINES

3.1. Budget lines (operational lines and related technical and administrative assistance lines (ex- B..A lines)) including headings:

Current budget lines:

ABB 170202 Community action in the field of Health and Consumer protection
— Consumer protection

ABB 17010406 Community action in the field of Health and Consumer protection Expenditure on administrative management

ABB 17 01 04 30 : Public health –Operating subsidy to the Executive Agency for the Public Health Programme. This line should to be renamed.

A new budget structure will be defined after approval of the Inter-institutional Agreement on Financial Perspective 2007-2013.

3.2. Duration of the action and of the financial impact:

Total allocation for action: 156.8 € million for commitment in current prices.

Period of application: 1 January 2007 – 31 December 2013

3.3. Budgetary characteristics:

| <u>Budget lines</u> | <u>Type of expenditure</u> | | <u>New</u> | <u>EFTA contribution</u> | <u>Contributions from associated countries</u> | <u>Heading in financial perspectives</u> |
|---------------------|----------------------------|------------------------|------------|--------------------------|--|--|
| 17 01 04 30 | Non-comp | Non-diff ¹⁸ | YES | YES | YES | No 3b |
| 17 02 02 | Non-comp | diff ¹⁹ | NO | YES | YES | No 3b |
| 17 01 04 06 | Non-comp | Non-diff ²⁰ | NO | YES | YES | No 3b |

4. SUMMARY OF RESOURCES

4.1. Financial Resources

4.1.1. Summary of commitment appropriations (CA) and payment appropriations (PA)

EUR million (to 1 decimal places)

| Expenditure type | Section no. | | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 and later | Total |
|--------------------------------|-------------|---|------|------|------|------|------|------|----------------|-------|
| Operational expenditure | | | | | | | | | | |
| Commitment Appropriations (CA) | 8.1 | a | 16,2 | 19 | 19,8 | 19,2 | 19,9 | 20,9 | 21,6 | 136,6 |
| Payment Appropriations (PA) | | b | 4,9 | 10,6 | 16,5 | 19, | 19,6 | 19,9 | 46,1 | 136,6 |

Administrative expenditure within reference amount

| Expenditure type | Section no. | | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 and later | Total |
|--|-------------|---|------|------|------|------|------|------|----------------|-------|
| Technical & administrative assistance (NDA), including | 8.2.4 | c | 2,6 | 2,8 | 2,8 | 2,9 | 2,9 | 3,1 | 3,1 | 20,2 |

18 Non-differentiated appropriations hereafter referred to as NDA.

19 Differentiated appropriations hereafter referred to as DA.

20 Non-differentiated appropriations hereafter referred to as NDA.

| | | | | | | | | | | |
|---------------------------------------|--|--|--|--|--|--|--|--|--|--|
| contribution to EA21, see table 8.2.4 | | | | | | | | | | |
|---------------------------------------|--|--|--|--|--|--|--|--|--|--|

TOTAL REFERENCE AMOUNT

| Expenditure type | Section no. | | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 and later | Total |
|---------------------------|-------------|-----|------|------|------|------|------|------|----------------|-------|
| Commitment Appropriations | | a+c | 18,8 | 21,8 | 22,6 | 22,1 | 22,8 | 24 | 24,7 | 156,8 |
| Payment Appropriations | | b+c | 7,4 | 13,3 | 19,3 | 21,9 | 22,4 | 23,0 | 49,2 | 156,8 |

| Administrative expenditure not included in reference amount | | | | | | | | | | |
|---|-------------|---|------|------|------|------|------|------|----------------|-------|
| Expenditure type | Section no. | | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 and later | Total |
| Human resources and associated expenditure (NDA) | 8.2.5 | d | 0,86 | 0,86 | 0,86 | 0,86 | 0,86 | 0,86 | 0,86 | 6,02 |
| Administrative costs, other than human resources and associated costs, not included in reference amount (NDA) | 8.2.6 | e | 1,23 | 1,24 | 1,24 | 1,25 | 1,25 | 1,26 | 1,27 | 8,74 |

Total indicative financial cost of intervention

| Expenditure type | | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 and later | Total |
|--|---------|------|------|------|------|------|------|----------------|-------|
| TOTAL CA including cost of Human Resources | a+c+d+e | 20,9 | 23,9 | 24,7 | 24,2 | 24,9 | 26,1 | 26,8 | 171,5 |
| TOTAL PA including cost of Human Resources | b+c+d+e | 9,6 | 15,5 | 21,4 | 24,0 | 24,6 | 25,2 | 51,3 | 171,5 |

Co-financing details

Not applicable

4.1.2. Compatibility with Financial Programming

X Proposal is compatible with Financial perspective 2007-2013

4.1.3. Financial impact on Revenue

X Proposal has no financial implications on revenue

4.2. Human Resources FTE (including officials, temporary and external staff) – see detail under point 8.2.1.

| Annual requirements | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 |
|---------------------------------|------|------|------|------|------|------|------|
| Total number of human resources | 8 | 8 | 8 | 8 | 8 | 8 | 8 |

5. CHARACTERISTICS AND OBJECTIVES:

5.1. Consumer policy priority areas:

- To ensure a high level of consumer protection, notably through improved evidence, better consultation and better representation of consumers' interests.
- To ensure the effective application of consumer protection rules notably through enforcement cooperation, information, education and redress.

Actions will contribute to ensure an equally high level of protection for all EU consumers, wherever they live, travel to or buy from in the EU, from risks and threats to their interests. Action covers the safety of goods and services; the fairness of commercial practices and contractual rights for consumers; affordable access to essential services. This also implies a clear role for the representatives of consumers, properly resourced and with sufficient expertise. This should result in reducing the lack of confidence of consumers in the internal market and enabling them to make free and informed choices from an appropriate range of products. This, in turn, will boost competition and make a significant contribution to the competitiveness of EU businesses.

Actions will also contribute to increase the capacity of consumers to promote their own interests, as individuals or through consumer organisations, i.e., helping consumers help themselves. This means equipping consumers with the tools they need to take better and more rational decisions in the internal market. This includes the provision of information to consumers about their rights, protection from rogue traders and access to effective means of redress but also products and the opportunities of the internal market.

5.2. Value added of Community involvement and coherence of the proposal with other financial instruments and possible synergy

The EU, national and regional authorities, citizens, businesses and civil society have a role to play in improving the welfare of European consumers. There are however several shared consumer policy challenges that only action at EU level can tackle. Greater mobility and more communication have benefited consumers but they have also increased the risk of scams and other problems e.g. from bogus lotteries. The complexity of modern life has brought more choice for citizens. But it has also made it harder for them to make the best choices.

The proposed strategy and programme aim to implement article 153 of the Treaty as regards Community action on consumer protection, by complementing national action with value-added measures which cannot be taken at national level.

The modified Consumer programme builds on the existing consumer programmes and maintains its core elements.

5.3. Objectives and expected results of the proposal in the context of the ABM framework

The overall goal of the EU Consumer Policy is to improve the quality of life for EU citizens, in terms of their consumer interests. This will contribute to making

Europe's citizens safer and more confident, providing the means for economic and social inclusion, and thus giving substance to EU citizenship.

Protection and promotion of consumer interests depends on many factors. Citizens themselves, through their own choices, can protect their interests as consumers. But much depends on external factors that public policy needs to address.

5.3.1. Core joint objectives

EU Consumer policies have two main objectives:

- (1) To ensure a high level of consumer protection, notably through improved evidence, better consultation and better representation of consumers' interests.
- (2) To ensure effective application of consumer protection rules notably through enforcement cooperation, information, education and redress.

5.3.2. Areas of synergy

There are a number of areas of synergy between EU Consumer policies and other EU policies.

- **Improve communication with EU citizens.** The aim is to improve the delivery of information citizens need to manage their consumer interests and to listen better to their concerns and feed this into policy-making.
- **Increase civil society and stakeholders' participation in EU policy-making.** The aim is to improve consultation to ensure their close participation in policy-making.
- **Integrating consumer concerns into other EU policies.** Most EU policies that regulate or intervene in markets or which affect citizens' rights (data protection, copyright, access to justice) have a profound effect on consumer outcomes. The main current areas are competition policy, information society and essential services (or services of general interest), where core universal services need be established and maintained. Issues related to standardisation and developing of information society are also of key importance to consumers.
- **Enhance scientific advice and risk assessment.** Tackling problems that might impact on health and safety requires good independent scientific advice and thorough risk assessment.
- **Promote the safety of products.** Activities would include best practice exchange, awareness raising, implementation guidelines, training and networking, joint surveillance and enforcement projects and systematic development of product safety standards

5.3.3. Consumer policy priority areas:

Actions will contribute to ensure an **equally high level of protection** for all EU consumers, wherever they live, travel to or buy from in the EU, from risks and threats to their interests. Action covers the safety of goods and services; the fairness of commercial practices and contractual rights for consumers; affordable access to essential services, protection from rogue traders and access to effective means of redress. This should result in reducing the lack of **confidence of consumers in the internal market** and enabling them to make **free and informed choices** from an appropriate range of products. This, in turn, will boost competition and make a significant contribution to the **competitiveness** of EU businesses.

Actions will also contribute to increase the capacity of consumers to promote their own interests, as individuals or through consumer organisations, i.e., helping consumers help themselves. This means **equipping consumers with the tools they need** to take better and more rational decisions in the internal market. This includes the provision of information to consumers about their rights, means of redress but also products and the opportunities of the internal market. This also implies a clear role for the **representatives of consumers**, properly resourced and with sufficient expertise.

5.4. Method of Implementation (indicative)

Show below the method(s)²² chosen for the implementation of the action.

X *Centralised Management*

X Directly by the Commission

↑ Indirectly by delegation to:

X Executive Agency

↑ Bodies set up by the Communities as referred to in art. 185 of the Financial Regulation

↑ National public-sector bodies/bodies with public-service mission

↑ *Shared or decentralised management*

↑ With Member states

↑ With Third countries

²² If more than one method is indicated please provide additional details in the "Relevant comments" section of this point.

6. MONITORING AND EVALUATION

6.1. Monitoring system

The Commission monitors the most pertinent indicators throughout the implementation of the new programme. The indicators hereunder listed are related to the objectives described under part 5.3.

| <u>Objectives</u> | <u>Indicators</u> |
|--|--|
| To ensure a high level of consumer protection, notably through improved evidence, better consultation and better representation of consumers' interests. | <ul style="list-style-type: none"> – Volume of evidence gathered (studies, surveys) – Number of product safety standardisation mandates – Participation of Member States in Rapex measured by the number of notifications. – Number and quality of activities of European consumer organizations designed to influence EU policies, as assessed from their annual activity reports. |
| To ensure the effective application of consumer protection rules notably through enforcement cooperation, information, education and redress. | <p>Improvement of the effectiveness of consumer product safety legislation and enforcement as measured (through surveys) by long term trends in the</p> <ul style="list-style-type: none"> – number of accidents and injuries related to products – Number of cross-border enforcement actions taken on behalf of EU consumers across jurisdictions. – Surveys on effectiveness of information actions – Level of interest in consumer education actions |

The implementation of the Community programme entrusted to the executive agency is subject to the control of the Commission and this control is exerted according to the methods, the conditions, the criteria and the parameters which it lays down in the act of delegation defined by Council Regulation (EC) No 58/2003 laying down the statute for executive agencies to be entrusted with certain tasks in the management of Community programmes²³, Article 6(3).

6.2. Evaluation

6.2.1 Ex-ante evaluation

The programme is designed taking into account in particular the experience gained through the implementation of the Consumer Policy Strategy 2002-2006 and the Consumer Policy Programme 2004-2007.

²³ OJ L 11, 16.1.2003, p. 1.

The Consumer Policy Strategy which was initiated in 2002 brought several major improvements to the functioning of European Consumer policy, in particular with:

- putting into place a mid-term programme (5 years were foreseen from 2002 to 2006);
- being flexible: a rolling plan of actions, revised every 18 months is annexed to the programme;
- putting emphasis on a need for a knowledge-based consumer policy;
- developing capacity building actions in favour of consumer associations;
- developing education actions, in particular towards young consumers;

In addition, the new programme tackles issues mentioned in previous evaluations (see 6.2.2.):

- combine the consumer policy programme or strategy and its related financial framework;
- better match the implementation of the consumer programme or strategy with available human resources with the use of the existing health executive agency;
- improve enforcement: this is one of the major consumer policy objectives of the new programme.

- Added value

There will be no major changes in the objectives compared to the Consumer Policy Strategy 2002-2006. A clear emphasis will be put on two major areas/objectives, namely:

- To ensure a high level of consumer protection, notably through improved evidence, better consultation and better representation of consumers' interests.
- To ensure the effective application of consumer protection rules notably through enforcement cooperation, information, education and redress

Better added value will also be reached with the leverage effect made possible by the use of the existing executive agency.

- Cost-effectiveness

Therefore, cost-effectiveness of programme benefits from the leverage effect provided by the use of the executive agency. Priority areas remain broadly comparable to the ones of the Consumer Policy Strategy. Now that several

pilot actions tested under the Consumer Policy Strategy have proven their interest, it is time to consolidate this effort (eg. education, training).

6.2.2. Measures taken following an intermediate/ex-post evaluation (lessons learned from similar experiences in the past)

Consumer protection policy can build on the lessons taken from former programmes, in particular the Consumer policy action plan 1999-2001²⁴ and the Consumer policy Strategy 2002-2006²⁵. Some measures which were recommended in the ex-post evaluation of the Consumer Policy action plan had already been integrated in the Consumer Policy Strategy. Some specific evaluations have been carried out and were taken into account.²⁶

An ex-post evaluation²⁷ of the Consumer policy action plan drew the following recommendations (abstract):

“Definition of the action plan

1. Develop **more flexible action plans**, capable of reacting to new situations but stable enough to ensure the continuity of the Commission policy strategy.
2. **Combine the consumer policy action plan or strategy and its related financial framework into one document**, with the objective that they should be of equal duration and that there is good coherence of the planned actions.

Generation of broader impact

3. Make a **very clear distinction between a policy document like the action plan** - being a sort of declaration of intent - **and a management plan** - providing information on the progress of outputs and impacts.
4. **Better match the implementation of the Commission consumer policy** (that has ambitious objectives) **with DG SANCO (limited) human and financial resources**. For the Commission, this means:
 - Define priorities.
 - *Be clear to consumer organisations* on what is the role and what are the priorities of the Commission on consumer policy, in

²⁴ http://europa.eu.int/comm/consumers/cons_int/serv_gen/links/action_plan/ap01_en.pdf.

²⁵ http://europa.eu.int/eur-lex/pri/en/oj/dat/2002/c_137/c_13720020608en00020023.pdf.

²⁶ *Evaluation of 1995-199 subventions to consumer organisations operating at European level*, final report, The evaluation partnership, 16 November 2001; *Ex-ante budgetary evaluation of a possible merger of EEJ-Net and the ECC network and assessment of the pilot phase of the EEJ-Net*, final report, EPEC, July 2004; *Evaluation of the financial support for specific projects Article 2c) of Decision No 283/1999/EC*, Yellow Window, final report, 13 October 2004; *Intermediate evaluation of European consumer centres' network (Euroguichets)*, CIVIC, final report, 10 November 2004.

²⁷ *Ex-post evaluation of the Consumer Policy action plan 1999-2001*, final report, Bureau Van Dijk Management Consultants – 16 December 2004.

particular regarding the funding of and assistance to consumer organisations.

- *Strengthen co-operation with Member States* in particular within co-operation on administrative enforcement.
 - *Build on existing infrastructures and networks* created either by other DGs or by Member States.
 - *Make the other DGs more aware of consumer interests* and encourage direct contacts between them and the consumer organisations.
 - *Increase the budget of DG SANCO.*
5. **Optimise the complementarities and synergies between the different networks or entities** contributing to the implementation of the Commission consumer policy.
6. **Reinforce the partnership with field organisations** through:
- *Reinforced participation of the consumer organisations in the policy-making process.*
 - *More transparent communication to consumer organisations.*
 - The increased role of the Euroguichets, the EEJ-Net, the International Consumer Protection and Enforcement Network (ICPEN), consumer associations, etc.
7. **Reinforce communication** with Member States and consumer organisations and between Member States and consumer organisations through exchanges on:
- *priorities and consumer needs* at European and national/regional level.
 - *Commission actions and the progress* made by the Member States and consumer organisations on the implementation, use and enforcement of the Commission actions and possibly on related best practices.
8. **Improve enforcement** through:
- Continuing the work initiated during the action plan on co-operation in enforcement.
 - Sustaining the development of consumer organisations in the countries lacking effective enforcement, such as in the new Member States.
9. **Wherever possible, repeat the well-structured approach used during the revision of the General Product Safety Directive**, which

was based on the preliminary study of the needs for improvement, good co-operation with the Member States and the consultation of stakeholders.

10. **Continue to base the development of actions on informed judgement** through the use of the knowledge-base and the making of impact assessments and evaluations (*ex-ante* and *ex-post*).

Impact assessment framework

11. **Regularly assess the impact assessment framework**, for instance every two years, in order that it reflects changing consumer policy objectives, the emergence of new key issues (to be measured to know whether the Commission consumer policy is successful in supporting its objectives) or improvements in data availability.

In its concluding remarks, the Report on the implementation and evaluation of Community activities 2002-2003 in favour of consumers under the general framework as established by Decision No 283/1999/EC underlined the following elements:

"With respect to the previous years, expenditure commitments in 2002 and 2003 were generally more policy-driven than was the case in 1999-2001. This is in large part the result of the Consumer Policy Strategy 2002-2006, which defined clear objectives and a more coherent approach to consumer policy. In particular, actions to build up a knowledge-base for consumer policy have increased in importance with respect to previous years. As they become available, the results feed into policy development and financial programming. This trend was further strengthened with the entry into force of Decision No 20/2004/EC that substitutes Decision No 283/1999/EC. The new framework provides support only for actions that support EU consumer policy.

Efforts to rationalize and improve the efficiency of the European Consumer Centers and Extra-Judicial networks have led to a decision to merge the two into a single structure. The results of evaluations are also prompting efforts to better focus the activities of the network on assistance with cross-border consumer problems. A planned review of the function of the networks within the larger framework of consumer redress instruments, including small claims and injunctions/class actions by consumer organizations, will help to better define consumer needs to which the networks aim to respond.

With respect to European level consumer associations, the experience with AEC has proved that, in spite of the financial support provided from the Community budget, the feasibility of an effective second general consumer organization at EU level is low and that the national consumer associations that are not part of BEUC do not have the means to manage an effective EU-level organization.

Evaluations and critical assessments have provided the basis for a substantial reorientation of information and education actions. The pilots of the new actions will be subject of interim evaluations to measure if they deliver improved impact.

With respect to specific projects, this instrument appears to be more effective as a means of supporting national consumer organizations and other NGO's than as a policy tool, and its concrete impact on the level of consumer protection in the EU is found to be scarce. In that light, new instruments to support the work of consumer associations, in particular the capacity building actions as introduced by Decision No 20/2004/EC, deserve to be given a higher priority."

6.2.3. Terms and frequency of future evaluation

Details and frequency of planned evaluation:

The Commission will draw up two successive evaluation reports, which will be communicated to the European Parliament, the Council, the Economic and Social Committee and the Committee of the Regions.

Mid-term report: the first evaluation will be undertaken after the mid-point of the programme. The object of this report is to provide an initial assessment of the impact and effectiveness of the programme on the basis of the results obtained. Any changes or adjustments that are deemed necessary will be proposed by the Commission for the second half of the programme.

Final Report: An external evaluation report covering the entire period of operation of the Programme will be carried out, to assess the implementation of the Programme.

Furthermore, the Commission plans to audit beneficiaries in order to check that Community funds are being used properly. The results of audits will form the subject of a written report.

Evaluation of the results obtained:

Information providing a measure of the performance, results and impact of the Programme will be taken from the following sources:

- statistical data compiled on the basis of the information from application dossiers and the monitoring of beneficiaries' contracts;
- audit reports on a sample of programme beneficiaries ;
- use of the results of the executive agency's evaluations and audits.

7. Anti-fraud measures

All the contracts, conventions and legal undertakings concluded between the Commission and the beneficiaries under the programme foresee the possibility of an audit at the premises of the beneficiary by the Commission's services or by the Court of Auditors, as well as the possibility of requiring the beneficiaries to provide all relevant

documents and data concerning expenses relating to such contracts, conventions or legal undertakings up to 5 years after the contractual period. Beneficiaries are subject to the requirement to provide reports and financial accounts, which are analysed as to the eligibility of the costs and the content, in line with the rules on Community financing and taking account of contractual obligations, economic principles and good financial management.

8. DETAILS OF RESOURCES

8.1. Objectives of the proposal in terms of their financial cost

Commitment appropriations in EUR million (to 1 decimal places)

| (Headings of Objectives, actions and outputs should be provided) | Type of output | Av. cost | 2007 | | 2008 | | 2009 | | 2010 | | 2011 | | 2012 | | 2013 and later | | TOTAL | |
|--|----------------|----------|-------------|-------------|-------------|------------|-------------|-------------|--------------|-------------|--------------|-------------|--------------|-------------|----------------|-------------|-------------|--------------|
| | | | No. outputs | Total cost | No. outputs | Total cost | No. outputs | Total costs | No. out-puts | Total cost | No. out-puts | Total cost | No. out-puts | Total cost | No. out-puts | Total cost | No. outputs | Total cost |
| OPERATIONAL OBJECTIVE: Consumer protection | | | | | | | | | | | | | | | | | | |
| Action 1: to ensure a high level of consumer protection | | 1,000 | 6 | 7 | 7 | 7,7 | 8 | 8,4 | 7 | 7,5 | 7 | 7,7 | 8 | 9,4 | 8 | 9,3 | 51 | 57 |
| Action 2: effective application of consumer protection | | 1,000 | 9 | 9,2 | 10 | 11,3 | 10 | 11,4 | 10 | 11,7 | 11 | 12,2 | 10 | 11,5 | 10 | 12,3 | 70 | 79,6 |
| Sub-total Objective n | | | 15 | 16,2 | 17 | 19 | 18 | 19,8 | 17 | 19,2 | 18 | 19,9 | 18 | 20,9 | 18 | 21,6 | 121 | 136,6 |
| TOTAL COST | | | | 16,2 | | 19 | | 19,8 | | 19,2 | | 19,9 | | 20,9 | | 21,6 | | 136,6 |

8.2. Administrative Expenditure

8.2.1. Number and type of human resources

| Types of post | - | Staff to be assigned to management of the action using existing and/or additional resources (number of posts/FTEs) | | | | | | |
|---|---------------|--|------|------|------|------|------|------|
| | | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 |
| Officials or temporary staff ²⁸ (17 01 01) | A*/AD | 5 | 5 | 5 | 5 | 5 | 5 | 5 |
| | B*, C*/AST | 3 | 3 | 3 | 3 | 3 | 3 | 3 |
| Staff financed ²⁹ by art. 17 01 02 | | | | | | | | |
| Other staff ³⁰ financed by art. 17 01 04 | | | | | | | | |
| TOTAL | | 8 | 8 | 8 | 8 | 8 | 8 | 8 |

The calculation includes the existing resources devoted to the current programme.

It does not include the executive agency's staff.

8.2.2. Description of tasks deriving from the action

The programme reinforces and re-focuses the themes of the current programme (high common level of consumer protection; effective enforcement and the proper involvement of consumer organisations). A higher priority is given to information, education, enforcement cooperation and improving the evidence for consumer policy.

The current executive agency will also be extended to deal with Consumer issues. This will enable the Commission to carry out projects which had so far only be done at the pilot project level (e.g. education tools) and to be the necessary scale and visibility to actions meant to strengthen the evidence for consumer policy making (e.g. price surveys, quality of products) or to develop capacity building actions (training of consumers' organisations staff, of enforcers from the Member States).

8.2.3. Sources of human resources (statutory)

(When more than one source is stated, please indicate the number of posts originating from each of the sources)

²⁸ Cost of which is NOT covered by the reference amount.
²⁹ Cost of which is NOT covered by the reference amount.
³⁰ Cost of which is included within the reference amount.

- Posts currently allocated to the management of the programme to be replaced or extended
- Posts pre-allocated within the APS/PDB exercise for year n
- Posts to be requested in the next APS/PDB procedure
- Posts to be redeployed using existing resources within the managing service (internal redeployment)
- Posts required for year n although not foreseen in the APS/PDB exercise of the year in question

8.2.4. Other Administrative expenditure included in reference amount (XX 01 04/05 – Expenditure on administrative management)

EUR million (to 2 decimal places)

| Budget line (number and heading) | <u>2007</u> | <u>2008</u> | <u>2009</u> | <u>2010</u> | <u>2011</u> | <u>2012</u> | <u>2013</u> <u>and</u> <u>later</u> | <u>TOTAL</u> |
|--|-------------|-------------|-------------|-------------|-------------|-------------|---|--------------|
| 1. Technical and administrative assistance (including related staff costs) | | | | | | | | |
| Executive agency | 1,7 | 1,8 | 1,8 | 1,9 | 1,9 | 2 | 2 | 13,1 |
| Other technical and administrative assistance | | | | | | | | |
| – intra muros | 0,9 | 1 | 1 | 1 | 1 | 1,1 | 1,1 | 7,1 |
| – extra muros | 0,00 | 0,00 | 0,00 | 0,00 | 0,00 | 0,00 | 0,0 | 0,00 |
| Total Technical and administrative assistance | 2,6 | 2,8 | 2,8 | 2,9 | 2,9 | 3,1 | 3,1 | 20,2 |

These costs include the programme's contribution to the operating costs of the Health and Consumer Executive agency, and notably the personnel costs to the agency for this programme.

8.2.5. Financial cost of human resources and associated costs not included in the reference amount

EUR million (to 3 decimal places)

| Type of human resources | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 and later |
|--|-------------|-------------|-------------|-------------|-------------|-------------|-----------------------|
| Officials and temporary staff (XX 01 01) | 0,864 | 0,864 | 0,864 | 0,864 | 0,864 | 0,864 | 0,864 |

| | | | | | | | |
|--|-------|-------|-------|-------|-------|-------|-------|
| Staff financed by Art XX 01 02 (auxiliary, END, contract staff, etc.) | - | - | - | - | - | - | - |
| (specify budget line) | | | | | | | |
| Total cost of Human Resources and associated costs (NOT in reference amount) | 0,864 | 0,864 | 0,864 | 0,864 | 0,864 | 0,864 | 0,864 |

Calculation – Officials and Temporary agents

Calculation includes overheads expenses and is based on the average cost in the Commission

Calculation– *Staff financed under art. XX 01 02*

Calculation includes overheads expenses and is based on the average cost in the Commission

8.2.6. Other administrative expenditure not included in reference amount

| | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | TOTAL |
|--|-------|-------|-------|-------|-------|-------|-------|-------|
| 17 01 02 11 01 – Missions | 0,225 | 0,226 | 0,227 | 0,228 | 0,230 | 0,231 | 0,232 | 1,599 |
| 17 01 02 11 02 – Meetings & Conferences; Committees | 0,6 | 0,603 | 0,606 | 0,609 | 0,612 | 0,615 | 0,618 | 4,264 |
| 17 01 02 11 04 – Studies & consultations | 0,180 | 0,181 | 0,182 | 0,183 | 0,184 | 0,185 | 0,185 | 1,279 |
| 17 01 02 11 05 - Information systems | 0,225 | 0,220 | 0,220 | 0,215 | 0,215 | 0,215 | 0,200 | 1,510 |
| 2. Total Other Management Expenditure (XX 01 02 11) | 1,230 | 1,236 | 1,242 | 1,249 | 1,255 | 1,261 | 1,267 | 8,740 |
| 3. Other expenditure of an administrative nature (specify including reference to budget line) | - | - | - | - | - | - | - | - |
| Total Administrative expenditure, other than human resources and associated costs (NOT included in reference amount) | 1,230 | 1,236 | 1,242 | 1,249 | 1,255 | 1,261 | 1,267 | 8,740 |

Calculation - *Other administrative expenditure not included in reference amount*

The needs for human and administrative resources shall be covered within the allocation granted to the managing Directorate-General in the framework of the annual allocation procedure.