

Consumers: financing Community actions 2004-2007, general framework

2003/0020(COD) - 31/01/2003 - Legislative proposal

PURPOSE : to establish a general Framework for Community actions in support of consumer policy for the period from 1 January 2004 to 31 December 2007. **CONTENT** : this proposal establishes a direct link between the objectives and priorities of the Consumer Policy Strategy 2002-2006 and the actions to be financed under the proposed Decision. The Strategy establishes the following objectives: - a high level of consumer protection through the establishment of consumer protection rules and practices and the integration of consumer interests into other Community policies; - effective enforcement of consumer protection rules, through market surveillance, administrative and enforcement cooperation and consumer access to resolution of complaints and disputes; and - proper involvement of consumer organisations in Community policies affecting consumer interests. The actions to be taken under the Framework concern the following specific areas: - protection of consumer health and safety with respect to services and non-food products; - protection of the economic interests of consumers; - promotion of consumer information and education; - promotion of consumer organisations at European level. The total budget proposed for the four-year period amounts to EUR 72 million, or EUR 18 million per year, in operational credits and EUR 32 million, or EUR 8 million per year, in human resources and other administrative expenditure. The Report on the implementation of actions under the previous programme set up by Decision 283/1999/EC found that, given the small size and short duration of many of the specific projects co-financed, the administrative cost was often disproportionately high, and the effectiveness and impact of the projects limited. The present proposal therefore includes a call for proposals for specific projects at least every two years, and the possibility of co-financing up to a maximum of 70%. Decision 283/1999/EC provides that financial support for European consumer organisations may not, in principle, exceed 50% of their operational expenditure. The present proposal fixes a definitive ceiling of 50% for this type of financial contribution. The proposal, however, makes explicit provision for financing up to 95% of the expenditure of organisations representing consumers interests in the development of standards for products and services at Community level. The present proposal introduces specific provisions for actions jointly undertaken by the Commission and the Member States. It concerns: - financial contributions to bodies that are part of existing Community networks set up to provide information and assistance to consumers to help them exercise their rights and to obtain access to appropriate dispute resolution and - actions to be developed in the area of administrative and enforcement co-operation with the Member States. European consumer organisations must be independent of industry, commerce and other business interests, and their primary objective must be to promote the health, safety and economic interests of European consumers. The present proposal, as opposed to the current Decision, does not incorporate selection and award criteria for financial contributions to specific projects.