

Consumers: financing Community actions 2004-2007, general framework

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This Report gives an overview of the implementation of Decision 20/2004/EC, which sets up a general framework for actions in support of consumer policy between 2004-2007. It is a detailed Report in which each individual Action is examined and in which the budgetary figures are analysed. The annual commitment appropriations for 2004 and 2005 amount to about EUR 20.6 million. As from 2005, Bulgaria and Romania began participating on the programme. In 2004, 93% of the operational and 85% of the administrative credits were utilised. For the year 2005, the execution rate stood at about 97% for both. Highlights of spending on the framework can be summarised as follows:

Action 1: Scientific Advice, risk analysis relevant to consumer health and safety.

In 2004-2005, around EUR 280 000 was spent on meetings of the Scientific Committee on Consumer Products. This amount was used to convoke 137 meetings resulting in the adoption of 55 reports and scientific opinions. The CHEN RISK and CHEM TEST projects were funded with EUR 500 000. An additional EUR 41 371 was spent on an assessment of indicators of repro-toxic effects resulting from exposure to chemical products.

Action 2: Preparation of legislative and other regulatory initiatives.

EUR 500 000 was spent on an annotated compendium/database and comparative analysis of the implementation of the consumer *acquis* in the Member States. Fourteen workshops on a “Common Frame of Reference on European Contract Law cost a further EUR 358 000.

Action 3: Monitoring and assessment of market developments impacting on consumer interests.

A focus group study was conducted costing EUR 450 000. A further study was launched on comparative price surveys of services in the EU countries costing an additional EUR 264 200. A brainstorming session on consumer detriment with expert economists was organised in March 2005 and cost EUR 26 200.

Action 4: The collection and exchange of data for the integration of consumer interests in EU policies.

Around EUR 2.1 million was committed to surveys on consumer perceptions and opinion on financial services, services of general interest and passenger rights. In 2005 a further EUR 440 000 was spent on a repeat of the focus groups in order to evaluate the data collected. EUR 650 000 was earmarked for a survey on consumer perception and behaviour in cross-border shopping. Around EUR 1.25 million was spent on a survey to measure consumer satisfaction with specific services in all EU countries.

Action 5: Co-ordination of surveillance and enforcement actions.

Some EUR 220 000 was spent on a feasibility assessment and the creation of a mock-up prototype for a database and IT system to support the implementation of Regulation 2006/2004 on consumer protection co-operation.

Action 7: Monitoring and assessing the safety of non-food products and services.

Under this heading money was allocated to measures supporting implementation of the “General Product Safety Directive”. Funds were allocated to the setting up of an inventory which compares health and safety risk assessment approaches used for consumer products as relied upon by both enforcement and certification bodies.

Action 8: Monitoring Alternative Dispute Resolution Schemes.

A comparative analysis of means of redress available to consumers in EU Member States, the USA, Canada and Australia was launched at a cost of EUR 185 400.

Action 9: Joint Action – Financial contributions for public or non-profit bodies working on consumer interests.

A total of EUR 4.7 million was contributed towards consumer help networks in 2004 as part of joint actions with national authorities. In 2005 around EUR 4 million was earmarked to Helpnet, which included new offices in Malta and Slovakia, IT tool and logo development. The merger of the networks has resulted in a single, centralised service for consumers with cross border shipping problems and higher cost efficiency.

Action 10: Joint Action – Financial contributions for specific joint surveillance and enforcement actions.

A new web-based Information and Communications System for Market Surveillance was co-financed at a cost of EUR 110 000.

Action 13: Training.

Around EUR 1.3 million was spent on 18 training sessions for consumer associations between 2004 and 2005. More than 50% of the participants came from the new Member States, Romania and Bulgaria. They were given training in management, lobbying and EU law. Workshops for consumer associations experts on chemicals in consumer products and on product safety monitoring were organised in 2004 and cost of EUR 87 500.

Action 14: Information actions on consumer rights.

EUR 2 million was spent on consumer rights information campaigns. The promotion of consumer associations in Poland was launched in May 2005. EUR 2 million has been earmarked for launching similar campaigns in the Czech Republic, Slovakia and Slovenia . An additional EUR 126 000 has been earmarked to maintain and update the consumer affairs web pages on the europa site.

Action 15: Consumer Education targeted at young consumers and the development of on-line interactive consumer education tools.

EUR 3.2 million was spent on the second and third editions of the “European Consumer Diary”, which targets consumer between the ages of 16 and 18.

Action 16 and 17: Financial contributions to the function of European Consumer Organisations.

Grants for operating costs were allocated to the European Association for the Co-ordination of Consumer Representatives in Standardisation (ANEC, about EUR 1.2 million in 2004 and EUR 1.3 million in 2005). BEUC, the European Consumer Association received funding worth EUR 1.2 million in 2004 and EUR 1.25 in 2005.

Action 18: Financial contributions to specific Community and national projects.

A total of 15 specific projects were co-financed totalling EUR 2.3 million. The main beneficiaries were national consumer organisations and other NGO's. Five projects benefited from 75% co-funding reserved for the new Member States. Four projects were selected for co-financing at an estimated total cost of around EUR 2.35 million.

Action 19: Evaluation of actions undertaken under this framework.

EUR 149 730 was spent on an assessment of the CLAB database on unfair contract terms. In 2005, EUR 230 000 was spent evaluating the European Consumer Diary and on an assessment of the impact of the EU Consumer Policy Strategy 2002-2006 on national consumer policies.

No actions were financed under the 6, 11 and 12 headings.

To conclude, expenditure under the framework Decision has been subject strictly to consumer policy objectives. Many of the actions focus increasingly on building up a knowledge-base for policy-making purposes. The merger of European consumer help centres has increased cost-efficiency and Member State joint actions has provided a more secure financial base from which to work. New instruments to support national consumer associations have been given a higher priority.