Basic information

1998/0028(COD) COD - Ordinary legislative procedure (ex-codecision procedure) Decision	Procedure completed
Consumers: general framework for Community activities 1999-2003 **Subject** 4.60 Consumers' protection in general	

Key players

European Parliament

Committee responsible	Rapporteur	Appointed
ENVI Environment, Public Health and Consumer Protection		

Former committee responsible	Former rapporteur	Appointed
ENVI Environment, Public Health and Consumer Protection	WHITEHEAD Phillip (PSE)	18/03/1998

Former committee for opinion	Former rapporteur for opinion	Appointed
BUDG Budgets	PIMENTA Carlos (PPE)	25/02/1998
JURI Legal Affairs, Citizens' Rights	The committee decided not to give an opinion.	

Council of the European Union

Council configuration	Meetings	Date
Environment	2153	1998-12-20
Consumers	2084	1998-04-23
Consumers	2128	1998-11-03
Social Affairs	2135	1998-11-20

Key events

Date	Event	Reference	Summary
28/01/1998	Legislative proposal published	COM(1997)0684	Summary
20/02/1998	Committee referral announced in Parliament, 1st reading		

23/04/1998	Debate in Council		
22/09/1998	Vote in committee, 1st reading		Summary
22/09/1998	Committee report tabled for plenary, 1st reading	A4-0334/1998	
07/10/1998	Debate in Parliament		
30/10/1998	Modified legislative proposal published	COM(1998)0642	Summary
03/11/1998	Debate in Council		
20/11/1998	Council position published	11530/4/1998	Summary
02/12/1998	Committee referral announced in Parliament, 2nd reading		
07/12/1998	Vote in committee, 2nd reading		
20/12/1998	Act approved by Council, 2nd reading		
25/01/1999	Final act signed		
25/01/1999	End of procedure in Parliament		
09/02/1999	Final act published in Official Journal		

Technical information

Procedure reference	1998/0028(COD)
Procedure type	COD - Ordinary legislative procedure (ex-codecision procedure)
Procedure subtype	Legislation
Legislative instrument	Decision
Legal basis	Rules of Procedure EP 66_o-p4 EC Treaty (before Amsterdam) E 129A
Stage reached in procedure	Procedure completed
Committee dossier	ENVI/4/10574

Documentation gateway

European Parliament

Document type	Committee	Reference	Date	Summary
Committee report tabled for plenary, 1st reading/single reading		A4-0334/1998 OJ C 328 26.10.1998, p. 0004	22/09/1998	
Text adopted by Parliament, 1st reading/single reading		T4-0570/1998 OJ C 328 26.10.1998, p. 0136-0166	08/10/1998	Summary
Text adopted by Parliament, 2nd reading		T4-0721/1998 OJ C 098 09.04.1999, p. 0024-0032	15/12/1998	Summary

Council of the EU

Document type	Reference	Date	Summary

Council position	11530/4/1998 OJ C 404 23.12.1998, p. 0008	20/11/1998	Summary

European Commission

Document type	Reference	Date	Summary
Legislative proposal	COM(1997)0684 OJ C 108 07.04.1998, p. 0043	28/01/1998	Summary
Modified legislative proposal	COM(1998)0642 OJ C 390 15.12.1998, p. 0022	30/10/1998	Summary
Commission communication on Council's position	SEC(1998)2019	01/12/1998	Summary
Follow-up document	COM(2001)0486	23/08/2001	Summary
Follow-up document	COM(2003)0042	31/01/2003	Summary
Follow-up document	COM(2005)0432	16/09/2005	Summary

Other institutions and bodies

Institution/body	Document type	Reference	Date	Summary
EESC	Economic and Social Committee: opinion, report	CES0804/1998 OJ C 235 27.07.1998, p. 0072	28/05/1998	

Additional information

Source	Document	Date
European Commission	EUR-Lex	

Final act

Decision 1999/0283
OJ L 034 09.02.1999, p. 0001 Summary

Consumers: general framework for Community activities 1999-2003

1998/0028(COD) - 23/08/2001 - Follow-up document

This Interim Report provides an overview of the state of implementation within each of the broad policy domains identified in the Action Plan. The last two years have seen many changes, political, organisational and operational, affecting the development of consumer policy at the level of the European Community. However, as can be seen from this Interim Report, these changes have generally not had a detrimental effect on the implementation of the Action Plan. Indeed, the overall situation shows not only that progress has been made in the traditional areas of consumer policy, but that the Commission has also been active in safeguarding consumers' interests in new areas such as the Internet in general and electronic

commerce in particular. In broad terms, the last few years have certainly been years of transition, with consumer policy moving to centre stage. The increased political priority that is being given to consumer affairs at the European level does, however, mean that greater public attention will be focussed on the policy development process. Attention should, therefore, be increasingly turned to consolidating the recent upgrading of EC consumer policy. Looking forward to the next Action Plan, this would imply that the Commission's central objective should be to ensure that future proposals for consumer policy and related activities are built on a strong foundation, flow from a coherent strategic framework, benefit from a wide-ranging and transparent consultation process, and are subject to a rigorous system of monitoring and impact assessment.

Consumers: general framework for Community activities 1999-2003

1998/0028(COD) - 30/10/1998 - Modified legislative proposal

The Commission's amended proposal incorporated 29 of the 32 amendments adopted by the European Parliament. The Commission did not accept the amendment seeking to increase the budget from ECU 114 million to ECU 130 million for the period 1999-2003. Two other amendments were rejected for institutional and legal reasons, as they anticipated the entry into force of the Amsterdam Treaty. However, the Commission accepted all the amendments concerning the preamble and those seeking to: - permit actions to protect the legal interests of consumers and their access to justice; - permit legal action in the interests of consumers; - provide for administrative costs to be taken into account; - set a deadline for the publication of Commission information on the financing of certain activities (support for the activities of European consumer organisations and for projects to promote the interests of consumers submitted by consumer organisations); - specify that part of the Community funding may be provided after signature of the contract but before its execution; - alter the list of activities described in the annex.

Consumers: general framework for Community activities 1999-2003

1998/0028(COD) - 20/11/1998 - Council position

The common position of the Council takes into account the bulk of the amendments adopted by the European Parliament. On the basis of the Commission's amended proposal, the Council adopted a common position providing for a financial framework of ECU 112.5 m, not including the EHLASS programme (the original proposal by the Commission provided for a framework of ECU 114 m, including ECU 7.5 m for EHLASS). The Council: - reworded the introductory sentence to Article 2 (activities to support and supplement the policy conducted by the Member States) to bring it more into line with the Treaty; - altered the description of the beneficiaries to take account of the special position of consumer organisations in some Member States; - took account, as regards the arrangements for implementation, of the differing structures of consumer organisations in the Member States; - introduced an advisory committee to ensure better dialogue between Member States and the Commission with regard to the selection of the projects and activities to receive funding under Article 2(b) and (c). The Commission will also inform the committee about other activities to be funded under the decision. The Commission will ensure that the same information is forwarded to the European Parliament.

Consumers: general framework for Community activities 1999-2003

1998/0028(COD) - 31/01/2003 - Follow-up document

The European Commission has presented a report on the implementation and evaluation of Community activities 1999-2001 in favour of consumers under the General Framework as established by Decision 283/1999/EC. The Commission recalls that Decision 283/1999/EC fixed a multi-annual programme of expenditure, set out clear procedures, eligibility and award criteria for financial support and defined possible areas for action for a 5-year period. This has enabled substantial progress to be made in terms of forward planning, a high level of budget utilisation as well as the increased transparency of procedures. The Decision, on the other hand, has provided considerable procedural detail on the co-financing of specific projects. This has resulted in greater transparency in the application and allocation process. The report states that : - Commission actions in favour of consumers have taken up the bulk of the expenditure over the past three years, almost 75 % of the total commitments. Amongst the most important actions financed are the Scientific Committees, scientific studies and technical support for legislative activities (for example validation of BSE tests) and improvements in rapid alert systems. Other important actions include opinion polls on consumer attitudes, food safety information and education campaigns, and actions related to the introduction of the Euro, and actions to monitor consumer rights implementation. Actions to facilitate access to justice and to extra-judicial redress, and to set up and support the European Consumer Centres Network were undertaken in co-operation with the Member States. The policy relevance of these actions was high, as in general was their effectiveness. - Almost 10% of the total commitments were for financial support to European consumer organisations. The policy relevance and effectiveness of this expenditure has improved over the past three years. The eligibility criteria for this type of financial support proved effective in concentrating resources on those organisations whose core business is to defend consumer interests at European level. At the same time, it also fostered new initiatives in this field. - The third category of expenditure was the co-financing of specific projects in favour of consumer interests in the Member States. This has proved to be the least effective instrument over the past three years. The evaluation and allocation process, and the monitoring of the execution of such projects demanded an administrative investment that proved disproportionate to the policy relevance and impact of the projects financed. - Experience with implementing the instruments as provided for in the Decision, particularly the specific project co-financing, also brought to the fore the question of the effective use of EU funds to strengthen national consumer organisations. The role of the EU budget in supporting national consumer organisations generally requires clarification. Financial support for the operating costs of national organisations should, therefore, remain a national responsibility. For its part, the Commission can make a complementary contribution through its direct actions such as the ongoing training programme for the staff of consumer organisations. It can also encourage Member States to give due attention to the needs of the national consumer organisations by facilitating theexchange of best practice. The development of a formal framework for administrative co-operation, which is one of the priorities of the Commission's new Consumer Policy Strategy, could also open up the possibility of jointly funded initiatives to support consumer organisations. Lastly, any future legal framework for expenditure in favour of consumers should contain a better alignment of policy and budgetary frameworks. Important shifts in the policy context, such as enlargement and new governance, and the adoption of the Consumer Policy Strategy 2002-2006 also require adjustments. On the basis of the Strategy the Commission can now more effectively define the instruments and actions needed to meet its policy objectives.

Consumers: general framework for Community activities 1999-2003

1998/0028(COD) - 25/01/1999 - Final act

PURPOSE: to establish a legal base for a general framework for Community activities in favour of consumers for the period 01.01.1999 to 31.12.2003. COMMUNITY MEASURE: European Parliament and Council Decision 283/1999/EC establishing a general framework for Community activities in favour of consumers. CONTENT: This Decision establishes, at Community level, a general framework for activities promoting the interests of consumers and providing them with a high level of protection. The financial framework for the implementation of this general framework for the period 1 January 1999 to 31 December 2003 is EUR 112.5 million (excluding the sum of EUR 7.5 million earmarked for funding EHLASS). The framework comprises actions designed to help protect the health, safety and economic interests of consumers and to promote their right to information and education and their right to join forces in order to protect their interests. More specifically, within these 4 categories, the following activities are eligible: 1) Consumer health and safety as regards products and services, e.g. technical expertise to assess, adopting a preventive approach, risks relating to products, in particular for foodstuffs; actions relating to consumer products and services causing danger to consumers; dissemination of information about dangerous products and services, as well as about potential risks. 2) Protecting the economic and legal interests of consumers, including access to dispute resolution, as regards products and services, taking into account horizontal aspects, e.g. actions to ensure the respect of consumer rights in the supply of goods and services; actions to improve cooperation between the bodies participating in market surveillance; improving common extra-judicial procedures; development of, and support for, actions aiming at facilitating access to justice; actions to monitor environmental claims on product labels, on packaging and, in general, in advertising and through other types of marketing. 3)Educating and informing consumers, e.g. raising awareness among consumers for the need for sustainable production and consumption patterns; developing education and training of consumers, particularly in schools; development of and support for European centres providing information and advice to cross-border consumers in the Community. 4) Promotion and representation of the interests of consumers, e.g. strengthening the representation of the interests of consumers at the Community and international level; supporting consumer organisations in the Member States, in particular when their means are limited; pilot projects promoting sustainable consumption models, in particular those that are environmentally friendly. The activities to support and supplement the policy conducted by the Member States shall consist of: - actions taken by the Commission; - actions providing financial support for activities of the European consumer organisations, as defined in this Decision; - actions providing financial support for specific projects to promote the interests of consumers in the Member States, as defined in this Decision, in particular by consumer organisationsand appropriate independent public bodies. The Decision also lays down criteria regarding the eligibility of organisations and the conditions for granting financial support. Strict selection conditions are laid down in the Decision. These include: - a satisfactory level of cost-effectiveness, - an added value ensuring a high and uniform level of the representation of the interests of consumers, - a lasting multiplier effect at national or European level, - the widest possible dissemnation of the results of the activities and projects supported. The Commission is responsible for the management, monitoring, evaluation and supervision of the activities it funds. It will be assisted in this by an Advisory Committee composed of Member State representatives. The actions funded are to be evaluated regularly, both by the Commission and independent experts. Each year, the Commission shall submit a report to the European Parliament and to the Council on the implementation of this general framework. By 30.06.2002 at the latest, the Commission must submit an evaluation report to the European Parliament and the Council on the first three years of the implementation of activities under this general framework. ENTRY INTO FORCE: 09.02.1999.

Consumers: general framework for Community activities 1999-2003

1998/0028(COD) - 16/09/2005 - Follow-up document

This Commission Communication gives an overview of Directive 283/1999, which sets up a general framework of activities to promote consumer interests and to ensure a high level of consumer protection. The Report gives an overview of the Directive’s implementation covering the years 2002 /03. The total commitment appropriations (including EFTA contribution) for 2002 amounted to about EUR 22.5 million and to EUR 23 million for 2003. In 2002 more than 95% of the appropriations were utilised and in 2003 more than 99%.

As far as the Protection of Consumer Health and Safety is concerned, expenditure in the field of scientific advice concerns indemnities for the Scientific Committees and preparatory scientific studies. In 2002/03 a total number of 540 meetings took place, resulting in the adoption of 381 reports and scientific opinions, at a cost of about EUR 1.7 million. The kind of work carried out included on-the-spot checks of national control systems in the food, veterinary and phytosanitary sectors by the Food and Veterinary Office (FVO). Other actions funded under this Directive include, amongst others, validating test methods to detect BSE and the preparatory work for a Community Reference Laboratory on analytical methods for the authorisation of feed additives. Other activities funded under the terms of the Directive include a database of unfair contractual terms, a survey of fees for cross border payments in retail banking across the EU and a survey of mortgage credit suppliers to assess the uptake and effectiveness of the Voluntary Code of Conduct on Pre-contractual Information for Home Loans.

Under the Education and Information heading, the Report notes that the health and consumer policy web site was revised in 2002/03 with visits to the site peaking at 2 774 321 in October 2003. The Consumer Voice Newsletter was sent out to over 10 000 subscribers. Total expenditure for technical support including web site, e-mail service and newsletter added up to around EUR 1 million, with an additional EUR 72 500 spent on print publications. Other forms of expenditure included an evaluation of EU food labelling legislation, the European Young Consumer Competition, the development of on-line interactive education tools, supporting 15 European Consumer Centres Networks and funding workshops for consumer association experts. Grants for operating costs were awarded to the European Association for the Co-ordination of Consumer Representatives in Standardisation (ANEC) and to the European Consumers’ Organisation (BEUC). In terms of financing for specific projects, the Report notes that in 2002/03, a total of 44 specific projects were co-financed, with national consumer organisations and NGO’s being the main beneficiaries. The number of applications, approved projects and the total amount committed has stabilised. Noteworthy is the fact that the average size of projects has decreased though the administrative cost has increased – this being largely thanks to the need for external evaluators.

To conclude, the Report states that expenditure in 2002/03 was more policy driven that in previous years (1999-2001). The Commission attributes this new direction to the clear objective and more coherent approach of the Consumer Policy Strategy 2002- 2006. Actions to build a knowledge-base for policy making has increased in importance and efforts to improve the efficiency of the European Consumer Centres and Extra-Judicial networks has

led to the merging of the two into a single structure. This allows them to focus their activities more on cross-border consumer problems. In addition the specific projects appear to be more effective as a means to support national consumer organisations. Lastly, new instruments to support consumer associations such as capacity building actions will, in future, be given a greater attention.

Total amounts of commitments are for 2002 EUR 20.984.847 and for 2003 EUR 22.943.787.

- Commission actions: 2002 -16.240.612/ 2003 - 17.883.792
- European organisations: 2002 - 1.995.394/ 2003 - 2.265.290
- Specific Projects: 2002 - 2.748.841/ 2003 - 2.794.705

Consumers: general framework for Community activities 1999-2003

1998/0028(COD) - 01/12/1998 - Commission communication on Council's position

The European Commission supports the common position of the Council which, overall, agrees with its proposal. The Commission notes that, in the absence of a decision on this proposal by the end of the year, certain appropriations under the 1998 budget will not be committed and financing of the majority of activities in 1999 will need to be suspended due to the lack of a legal basis. Both the European Parliament and the Council have undertaken to speed up the adoption process for this text by the end of 1998. Once the Amsterdam Treaty enters into force, this decision could be adapted in order to take account of the extension of its scope of application to the field of consumers.

Consumers: general framework for Community activities 1999-2003

1998/0028(COD) - 08/10/1998 - Text adopted by Parliament, 1st reading/single reading

In adopting the report by Mr Phillip WHITEHEAD (PSE, UK) on a general framework for Community activities in favour of consumers, the European Parliament called, in particular, for an increase in the budget, from ECU 114 m, as currently proposed by the Commission for 1999-2003, to ECU 130 m. Parliament stressed the importance of taking account of the interests of consumers in all Community policies and greater involvement of consumers in standardisation. It recalled the Community's commitment to impart fresh impetus to its activities for the benefit of consumers, and noted that the confidence of the latter was essential in order to ensure the proper functioning of the internal market (particularly in the wake of the BSE crisis). The new framework proposed is intended to help to: -promote consumers' interests on an international scale, -obtain independent scientific reports of a high standard and develop universally recognised methods of risk assessment, monitoring and inspection, -increase the action capacities of consumer protection organisations with a view to contributing more effectively to the formulation of consumer policy, -contribute to the proper transposition of Community legislation into national law, -protect the legitimate interests of consumers, particularly their right of redress and access to justice. Among the measures proposed by the Commission in its action framework (annexed to the proposal), Parliament stressed the measures relating to: -goods and services which present potential risks and dangers to consumers, -the impact of the euro on goods and services, -the transposition of Community legislation, -promoting consumer awareness of the benefits of the single market (comparative testing, choice and quality of goods, etc.), -consumers' access to the information society, -information on the protection of privacy, -dissemination of information on product safety, -promoting consumer awareness of sustainable and environmentally sound consumption patterns or those which have a social impact, -protecting the legal interests of consumers. As regards Community support, Parliament stipulated that it should be possible for unpaid work or donation in kind to be taken into account up to a level of 20% of total eligible costs. After ratification of the Amsterdam Treaty the Commission should present a new proposal taking account of the new possibilities afforded by the Treaty in this field, altering the budget if necessary.

Consumers: general framework for Community activities 1999-2003

1998/0028(COD) - 15/12/1998 - Text adopted by Parliament, 2nd reading

The common position was approved unamended. The consumer protection programme now has a budget of EUR 112.5.

Consumers: general framework for Community activities 1999-2003

1998/0028(COD) - 28/01/1998 - Legislative proposal

OBJECTIVE: Provide a legal basis for consumer protection activities eligible for Community funding for the period from 01/01/1999 to 31/12/2003. SUBSTANCE: The legal framework proposed is based on Article 129a of the Treaty and seeks to underpin and supplement the policy followed by the Member States in this area. The mechanism which will have a budget limited to ECU 114 million over a five year period and is not a multi-annual programme of measures, since it is not possible to foresee the problems which will require Community intervention, but rather a general framework of activities seeks to provide funding for measures in the following four sectors: (1) Consumer health and safety: risk assessment inspection and control measures will be funded, for example the preparation and drawing up of opinions of scientific committees or the expert knowledge required for inspections in the food, veterinary and plant health sectors. (2) Protection of the economic interests of consumers with regard to products and services: Funding will be provided to improve cooperation between the market monitoring organizations and mechanisms for resolving disputes, particularly of a cross-border nature. (3) Education and awareness of consumers: funding will be provided for comparative product testing and the promotion of specialized European centres. (4) Promotion and representation of consumer interests: funding will be provided to take account of consumer views in drawing up Community standards and policies and supporting certain representative organizations at European level. The actions will be limited to consumer policy within the Union. They may also cover food safety together with other Community public health initiatives. The activities will include: -

measures taken by the Commission to underpin national policies, - measures taken by European consumer bodies under the conditions defined in the proposal, - specific consumer protection projects submitted by consumer organizations. Funding in the last two cases will be limited to 50% of available appropriations.