Consumer programme 2014-2020

2011/0340(COD) - 26/06/2012 - Committee report tabled for plenary, 1st reading/single reading

The Committee on the Internal Market and Consumer Protection adopted the report by Robert ROCHEFORT (ADLE, FR) on the proposal for a regulation of the European Parliament and of the Council on a "Consumer" Programme 2014-2020.

The committee recommends that the position of the European Parliament adopted in first reading, following the ordinary legislative procedure, should amend the Commission proposal as follows:

Commission proposal: Members feel that the Programme should support the ambitions of Europe 2020 by integrating concerns on the digital environment, more sustainable patterns of consumption, by taking into account the specific situation of vulnerable consumers and the needs of an ageing population.

They suggest also that the text should refer to the Commission Communication of 22 May 2012 entitled 'A European Consumer Agenda - Boosting confidence and growth' which sets out a strategic framework for Union consumer policy in the years to come.

Budget: the report states that the financial envelope specified in the legislative proposal constitutes only an indication to the legislative authority and cannot be fixed until agreement is reached on the proposal for a regulation laying down the MFF for the years 2014-2020. Members stress, however, that **the proposed total budget of the consumer programme 2014-2020, amounting to EUR 197 million (at current prices) is modest,** whilst EUR 20.65 million for administrative expenditure is high.

The report proposes to set a **ceiling of 10.5%** of the total amount allocated to cover the expenses pertaining to preparatory, monitoring, control, audit and evaluation activities and for technical and administrative assistance. It also emphasises that the co-legislators should give political guidance regarding the breakdown of spending among the specific objectives

Content of eligible actions, by objective:

Objective 1 - Safety: actions must aim, amongst other things, at: i) improvement of **product traceability** and enhancing access to information concerning dangerous products; (ii) improving access to the **evidence** base for policy-making in areas affecting consumers; (iii) ensure that this base is used for designing new regulations and for detecting any **market malfunctioning** or changes in consumers' needs.

This objective will be measured in particular through the activity and effectiveness of the EU rapid alert system for dangerous consumer products (RAPEX).

Objective 2: Members consider that the importance of **support for consumer organisations** is such that it forms an objective in itself, and they propose to clarify the distinction between this objective and the consumer information and education objectives.

Eligible actions must aim, amongst other things, at: (i) **capacity building for consumer organisations** at Union, national and regional level; (ii) **providing consumers with comparable, reliable and easily accessible data** including for cross-border cases, to help them compare not only prices, but also quality and sustainability of goods and services; (iii) enhancing consumer and business education as a life-long process, with a particular focus on **vulnerable consumers**.

Objective 3 – Rights and redress: it is necessary to develop and reinforce consumer rights in particular through smart regulatory action and improving access to simple, efficient, expedient, and low-cost individual and, where appropriate, collective redress.

In view of the age of the Consumer Protection Network (CPC), Members feel that qualitative information should be added to make the criteria more precise. Furthermore, it is proposed to measure, in particular through the level of information flow and the effectiveness of cooperation within the **CPC Network**, how well known it is and how its **public profile** changes.

Eligible actions should aim to: (i) support the <u>Regulation on alternative dispute resolution ('ADR')</u> as well as the creation of an electronic, Union-wide platform; (ii) facilitating access to individual and, where appropriate, collective dispute resolution mechanisms; (iii) monitoring of the functioning and the effectiveness of dispute resolution mechanisms for consumers.

Objective 4 - Enforcement: Members suggest that this should be pursued through financial contributions for joint actions and signature of **partnership agreements** with public or non-profit bodies constituting Union networks, which provide information and assistance to consumers.

High-quality consumer information and participation is a cross-sectoral priority and shall be expressly provided for in all sectoral objectives and actions financed under the Programme.

Implementation of the Programme: given that the adoption of annual work programmes engenders policy choices to clarify and then add to the priorities and actions to be carried out, including the allocation of financial resources, laid down in the basic legislative act, Members propose the **delegation of power** to the Commission for the adoption of the annual work programmes as well as for adding to the list of actions in Annex I.