

Consumer protection: cross-border infringements, administrative and legal cooperation (Regulation on consumer protection cooperation)

2003/0162(COD) - 18/07/2003 - Legislative proposal

PURPOSE : to present a proposal for a Regulation on cooperation between national authorities responsible for the enforcement of consumer protection laws. **CONTENT** : this proposed Regulation lays down the conditions under which the competent authorities in the Member States responsible for the enforcement of the laws that protect consumers' interests are to be designated and are to cooperate with each other and with the Commission in order to ensure compliance with those laws and the smooth functioning of the internal market and in order to enhance the protection of consumers' economic interests. The development of cross-border transactions, including through the greater use of the Internet, has made the need for this improvement more urgent. Enlargement further reinforces the need for action. The protection of consumers from cross-border infringements requires the creation of a network of public enforcement authorities throughout the internal market. These authorities require a minimum of common investigation and enforcement powers. The proposal provides a framework of mutual assistance rights and obligations for enforcement authorities to use when dealing with cross-border infringements. The resulting network is designed to give national enforcement authorities an enforcement solution to deal quickly with the most serious rogue traders. The proposed regulation also provides for wider administrative cooperation among the Member States and with the Commission on projects of common interest that are designed to inform and educate consumers and empower them. The scope of the proposed regulation is limited to cross-border infringements. Therefore the Member States are not required to change their arrangements for domestic infringements. **FINANCIAL IMPLICATIONS** : - budget line 170201 : (B5-100) Community activities in favour of consumers; - total allocation for action: EUR 150,000 per year for commitment; - unlimited period of application from 2004; - the proposal is compatible with existing financial programming and has no financial implications on revenue. The following budget intervention arrangements are foreseen: - Actions taken by the Commission through contracts following procurement procedures, such as calls for tenders. Appropriate technical specifications will be defined for each action. These arrangements for budget intervention will be applied in accordance with the relevant provisions of the Financial Regulation applicable to the general budget of the European Communities; - impact on staff and administrative expenditure : 3 permanent posts (EUR 162 000/12 months).