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REPORT FROM THE COMMISSION

**On the "Action Plan for Consumer Policy 1999-2001" and on
the "General Framework for Community activities in favour of consumers 1999-2003"**

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1. INTRODUCTION

Having passed the halfway point of the current Action Plan, it is time to take stock of progress achieved so far. This Interim Report provides **an overview of the state of implementation** within each of the broad policy domains identified in the Action Plan. However, this overview is preceded by a section that recalls the various factors that either have had a discernible influence on the implementation of the Action Plan or that should be taken into account when considering what adjustments are required for the remaining period of the Action Plan.

In parallel, and in accordance with Article 13 of Decision 283/1999/EC of the European Parliament and the Council, this report, in particular Annexes 1 and 2, covers the implementation, in both 1999 and 2000, of the **General Framework for Community activities in favour of consumers** under the three policy objectives as laid down in the Consumer Policy Action Plan.

The financial framework for the implementation of the consumer policy's legal base for the period 1999-2003 was set at € 112.5 million. The total commitment appropriations for the year 1999 amounted to € 22.350 million and for the year 2000¹⁾ to € 22.905 million. In 1999, 100% of the commitment appropriations and 98% of the payment appropriations were utilised. In 2000, 90% of the commitment appropriations and 75% of the payment appropriations were utilised. Annex 1 shows in detail which activities were financed under each policy objective in 1999 and 2000. Annex 2 shows the amounts allocated as financial support to European consumer organisations and individual projects with the assistance of the Advisory Committee of representatives of the Member States in 1999 and 2000.

During the period covered by this report, there have been a number of organisational changes affecting the Services responsible for the area of consumer policy. These changes would render a year-on-year comparison meaningless but in April 2001, the number of staff in the Directorate responsible for the development of consumer policy totalled 67.²⁾

2. CONSUMER POLICY IN A CHANGING WORLD

"The next three years will see consumer policy coming of age as consumer interests, together with other issues that directly affect ordinary citizens, become increasingly important". The truth of this opening sentence of the "Consumer Policy Action Plan 1999-2001" has been confirmed by several events during the last two years, affecting, in particular, consumers' health and safety. These developments have, nevertheless, been served to bring consumer issues to the fore. There has been a belated realisation, at both EC and national level, that

¹⁾ The amount available in the year 2000 includes the annual contribution of 1.8 %, or € 405,000 from EFTA/EEA states (Iceland, Norway and Liechtenstein) which participate in the activities under Decision 283/1999/EC.

²⁾ This total comprised 36 staff in category "A", 12 in category "B" and 19 in category "C".

consumer policy is not a luxury but rather an essential element of overall EU policy development.

Within the EC institutions, consumer policy has achieved a much higher profile and this has been reflected in the Council Resolution of 28 June 1999 on "Community Policy 1999 to 2001"³⁾, and in the Opinions of the European Parliament⁴⁾, the Committee of the Regions⁵⁾ and the Economic and Social Committee⁶⁾. The Commission has taken into account the points expressed in these Opinions when implementing the Action Plan.

The Commission's Services have been re-structured to ensure a more effective and co-ordinated approach to consumer interests. Moreover, the integration of a consumer dimension into other EC policies is becoming a more frequent and normal occurrence.

A significant element of the re-structuring within the Commission was the concentration of health and consumer protection issues within a single Directorate-General, under the responsibility of a single Commissioner. The most important aspect of this change has been to make the Directorate-General for Health and Consumer Protection responsible for food safety along the entire food chain, from "the plough to the plate".

This organisational change was followed very rapidly by the Commission adopting, on 12 January 2000, the White Paper on Food Safety⁷⁾. The White Paper aims to achieve the highest standard of food safety and sets out a radical reform plan. It contains proposals for a major programme of legislative reform including the establishment of a new European Food Authority. This radically revised policy supersedes the parts of the Action Plan 1999-2001 that concerned food safety and, therefore, this Interim Report will not cover the implementation of those items nor the work of the Food and Veterinary Office.⁸⁾

These adjustments provide a clear indication of the need to retain a flexible approach to the implementation of the Action Plan.

3. PROGRESS IN IMPLEMENTATION OF THE ACTION PLAN

3.1 POLICY OBJECTIVE: "A more powerful voice for the consumer throughout the EU"

One of the principal characteristics that distinguishes consumers, as participants in a modern market economy, from businesses, is their relative fragmentation. This fragmentation finds its source in two factors: the very wide range of markets in which consumers have to operate to satisfy their needs, and their apparent reluctance to view collective action as a normal means of increasing, or exerting, their market influence.

At the EC level, this has led to widespread recognition that measures are needed to strengthen the consumer's position in the market and that promoting "**A more powerful voice for the consumer throughout the EU**" could make a significant contribution to this end. This

³⁾ Official Journal N° C 206 of 21.7.99.

⁴⁾ Official Journal N° C 279 of 1.10.99.

⁵⁾ CdR 181/99 fin.

⁶⁾ Official Journal N° C 209 of 22.7.99.

⁷⁾ "White Paper On Food Safety" : COM (1999) 719 final (12 January 2000)

⁸⁾ See Food And Veterinary Office (Fvo) Annual Report 1999

(http://europa.eu.int/comm/food/fs/inspections/policy_papers/vi_pol07_en.pdf)

objective emphasises the need both to increase consumer awareness of the importance of their market role and to improve methods of communicating consumer needs to businesses and policy-makers. Action to strengthen the consumer's position as a market participant can be undertaken by various stakeholders, not least by consumers themselves either individually or in associations.

In terms of budget implementation, the bulk of the appropriations, or some € 12.5 million in 1999 and 10 million in 2000, were utilised to pursue this policy objective.

- **ACTION AREA: Improving the effectiveness of consumer associations**

In consumer affairs, as in many other fields of human activity, collective action can often be more effective than an individual acting alone. Consumer associations can strengthen the consumer's market position by pooling information, lowering the cost of access to expert advice, as well as by providing a more solid basis for dialogue with businesses and for political action.

The Commission has continued to support consumers' associations in two ways:

- by providing financial support, and
- by providing logistical support for international meetings.

In terms of providing financial support to consumer organisations in Europe, the Commission has followed the requirements laid down in the "**Decision establishing a general framework for Community activities in favour of consumers**".⁹⁾ Calls have been published for applications for financial support from the budgets for 1999, 2000 and 2001.

In order to improve the overall impact of this type of funding, the Commission has generally sought to concentrate the limited amounts of available finance on fewer projects, whilst, at the same time, encouraging consumer organisations to join forces on projects of joint interest. In response to the Commission's call for projects, there has been a gradual decline in the number of proposals submitted since 1998: 378 proposals in 1998, 210 in 1999 and 178 in 2000. This has been due largely to a better definition of the actions to be financed in the calls for projects. Another reason may be the requirement under the legal base for consumer organisations to contribute a minimum of 50% to total project expenditure as a general rule. This new rule has been applied systematically with few exceptions.

Annex 2 shows the amounts allocated as financial support to European consumer organisations and individual projects in 1999 and 2000. Decisions on allocations are made with the assistance of the Advisory Committee for Community Activities in Favour of Consumers composed of representatives of Member States. The first meeting of this Committee was held on 18 March 1999. The Committee's rules of procedure and working practices are now well established. Five meetings have been held since March 1999 and there are regular contacts through the e-mail network, which has facilitated co-operation and the transmission of information.

⁹⁾ Decision N° 283/1999/EC

The Advisory Committee has delivered opinions on the Commission's draft measures relating to the criteria for selection of organisations and projects under Articles 2 b) and c) as well as in selecting the beneficiaries on the basis of the Commission's proposal. In accordance with the legal base, the Commission has provided the Advisory Committee with information on activities to be financed as well as on the results of expenditure decisions.

In 1999, the deadline for applications for financial support to European consumer organisations as well as for individual projects was 30 November 1998. Although Decision 283/1999/EC only entered into force in February 1999, the conditions and criteria for financing had already been anticipated in the call for proposals. The financial support granted to cover the running costs of four European consumer organisations amounted to € 1.42 million in 1999.

In 2000, the deadline for applications for financial support to European consumer organisations as well as for individual projects was 15 October 1999. The financial support granted to cover the running costs of European consumer organisations totalled some € 1.6 million in 2000. In addition to BEUC, ANEC, Euro Coop and Coface, a new organisation, the European Consumers' Association (AEC), which was founded in the spring of 2000, was also granted funding to cover part of its running costs.

The Commission has also examined requests from European consumer organisations for financial assistance for the year 2001. The Commission has decided to discontinue financial support for Euro Coop and Coface.

In order to provide a sound basis for judging the effectiveness of the financial support for European consumer organisations in recent years, an external evaluation has been commissioned and a report should be available in October 2001.

Support to consumer organisations by the Commission has also included organising meetings at the EC level, either on an *ad hoc* basis or as part of a continuous process. The presence of both President Prodi and Commissioner Byrne at the **Annual Assembly of Consumer Organisations** in November 2000 was a visible sign of the higher importance given by the Commission to the consumer dimension of EU policies.

The year 2000 also saw the inaugural meeting of a re-organised **Consumer Committee**¹⁰⁾. The new Consumer Committee consists of 20 full members and 20 alternates appointed by the Commission for a 3-year renewable mandate (1 per Member State plus 5 representatives from the European consumer associations: AEC, ANEC, BEUC, COFACE, EURO-COOP). It is designed to have a more pro-active role than its predecessor in fulfilling its advisory function vis-à-vis the Commission.

The need for consumer interests to be taken into account in policy-making does not stop at the external border of the European Community. The Commission has taken several steps to achieve better consumer representation at international level.

¹⁰⁾ Commission Decision of 4 May 2000 setting up a Consumer Committee (2000/323/EC)

In particular, the Commission supports the **Transatlantic Consumer Dialogue** (TACD) by providing financial support and co-ordination. This important forum of US and EU consumer organisations aims to promote the consumer interest in EU and US policy making. The recommendations produced by the TACD working groups are related to world-wide consumer concerns such as food, electronic commerce and other trade and trade/health related issues. They are addressed to the EU governments, the European Commission and the US authorities and aim at increasing the involvement of civil society in transatlantic policy-making. The TACD endeavours to feed into the Trans-Atlantic Economic Partnership process by monitoring closely the agenda of the various TEP committees and responds on the issues which concern consumers directly. Other policy-making processes, such as those at the OECD or WTO, are also closely followed. The TACD was invited to attend the US-EU Summit in Washington DC on 18 December 2000, where participants had the opportunity to discuss with the Summit leaders relevant issues of the US-EU political agenda that affect consumers. The Commission has also had contacts with Australia and Japan with a view to developing bilateral co-operation on consumer affairs.

- **ACTION AREA: Serving EU consumers better via the Euroguichets**

Following an evaluation of the operation of the network since its inception in 1991, the Commission decided to **redefine the mission of the consumer Euroguichets** by extending their responsibilities to include not only issues arising from cross-border consumer transactions but also a more general objective of informing consumers about those rights in their everyday life that stem from European legislation. The network will be further enhanced to the extent that eight Member States have already decided or are considering using the Euroguichet as their clearing house for the EEJ network.

As a consequence, some of the centres that were formerly established near a land border have moved to the capital or to another central area from where a whole Member State can be well served. Currently, there are 11 centres in operation in 9 Member States¹¹⁾. The Commission's target is to establish at least one centre per country before the end of the current Action Plan (end-2001). The financial support provided to the Euroguichets was almost € 2 million in both 1999 and 2000.

These adjustments provide a clear illustration of the difficulties that can arise when actions are launched on an *ad hoc* basis without consideration of strategic implications, including the potential synergy with other actions.

- **ACTION AREA: Effective dialogue between consumers and business**

Given the emphasis being placed on competitive markets as an important instrument for promoting consumer welfare, attention is increasingly turning to the relationship between consumers and business and to how this might be improved to their mutual benefit. From a policy point of view, the Commission is particularly interested in the extent to which **consumer/business dialogue** can lead to agreed solutions that would either lessen the need for legislation, complement legislation or add value to legislation.

¹¹⁾ Ireland, UK, France, Portugal, Spain (2), Luxembourg, Germany (2), Finland and Austria

Against this background, the Commission launched a study of "soft law", to analyse how far best practice at the national level can be applied and enhanced at European level. However, the Commission did not wait for the study to be completed before exploring the possibilities of consumer/business dialogue to help in practical situations.

A dialogue took place between consumer representatives and the banking sector concerning **mortgage credit** to discuss a code concerning pre-contractual information on loans for the purchase of residential accommodation. After several rounds of discussions, agreement on the contents of such a code was reached in November 2000. After a period of ratification by the competent bodies of the negotiating parties, this agreement was signed on 5 March 2001. On 1 March 2001 the Commission adopted a Recommendation endorsing the Code and inviting the mortgage credit industry to comply with its provisions.¹²⁾

A second area in which dialogue has played an important role is **electronic commerce**. From discussions with interested parties, it became clear that action was needed to clarify the situation concerning codes of practice and associated "trustmark" schemes as a means of enhancing consumer confidence in e-commerce. A proliferation of competing codes and trustmarks could confuse consumers and thus undermine, rather than reinforce, confidence. Similarly, businesses could have difficulty in deciding which code to join. Therefore, the Commission initiated discussions with a representative group from both consumer organisations and businesses on the feasibility of developing a clear and sound framework for accreditation (at EU level) and verification (probably at national level). Work is already well-advanced on establishing a set of principles as a benchmark against which to measure all generic codes. Whenever such codes or similar schemes are concluded between enterprises, they should, of course, comply with competition rules.

- **ACTION AREA: New approach to information campaigns**

Food safety is of **growing concern to all consumers**. A Eurobarometer survey, conducted in 1997, found that close to 68 percent of European citizens were concerned about the safety of foodstuffs and demanded better information on this matter. In addition to feeling threatened, many consumers feel betrayed and consider that the intensive production methods initially developed with the objective of giving everybody enough to eat have been pushed beyond any reasonable limit.

In an effort to restore consumer confidence, the Commission has launched **information and education campaigns**. For the information campaign covering the years 1998-1999, the contractors were encouraged to concentrate on the topics of food labelling (particularly E-numbers and other safety elements), the traceability of foodstuffs and genetically-modified organisms. As food safety remained the prime focus of public concern, the Commission built on the success of the previous campaign by launching a "Food Safety Education Campaign" (2000-2001). Although the theme (food safety) remained the same, the chosen contractors were required to develop educational (rather than informational) materials and to define their target groups more precisely.

¹²⁾ Commission Recommendation on pre-contractual information to be given to consumers by lenders offering home loans, C(2001) 477 final

The aims of the campaign include:

- To educate clearly defined target groups of consumers in the general principles and simple practicalities of food safety;
- To promote the role that consumer organisations can play by providing advice on food safety;
- To initiate an ongoing dialogue on food safety among interested parties: consumer organisations, national authorities and professional bodies;
- To stimulate media interest in food safety.

In addition to these information campaigns, consumers can also obtain information about their rights in the Internal Market through the "Dialogue with Citizens and Business" initiative. Under this action, the Commission launched in 2000, a guide entitled "Enforcing your rights in the single European market" that included a section on "seeking redress as consumers". Also, the guide on "Buying goods and services in the single European market" is being updated.

- **ACTION AREA: Closer co-operation with Member-States on consumer education**

In recent years, particularly in the context of the developing Single Market, the need for consumer education has become increasingly evident at European level. Under the Amsterdam Treaty, which entered into force in 1999, Community competence in the field of consumer education and training was affirmed. Against this background, the Commission has given priority to stimulating the **exchange of experience and good practice** between Member States. This action has involved two types of organisation: public authorities, and consumer organisations.

As far as relations with public authorities are concerned, a meeting of the "**Working Group of National Experts on consumer education**" was held on 15 September 2000. This will become the principal forum for the exchange of information and experience with Member States. The Commission's work with consumer organisations had the overall objective of encouraging co-operation between two complementary networks, one covering northern Member States and the other largely covering southern countries. More specifically, the Commission disseminated the information and experience gained from three pilot-projects (covering Greece, Portugal and Spain) designed to integrate consumer education into the normal school curriculum. The Commission has also provided financial support for the establishment of a **European School for Consumers** in Cantabria, Spain, and for a project in the United Kingdom, designed to provide training in financial affairs for young adults.

In addition to the above developments, the Commission has maintained its support for the "**The Young Consumer Competition**", which attracts a growing number of young people. The number of participating teams in the 1999-2000 competition, for which the theme was "The Consumer in the 21st century", exceeded 1,200, setting a new record¹³⁾. In line with the intense public interest in the safety and quality of food, the 2000-2001 edition of the competition has "**Nutrition - How to promote a balanced diet**" as its theme.

¹³⁾ Since the competition began, the number of entries has been 222 (1993/94), 505 (1994/95), 551 (1995/96), 613 (1996/97), 1160 (1998/99) and 1213 (1999/00). A competition was not held in 1997/98.

3.2 POLICY OBJECTIVE : "A high level of health and safety for EU consumers"

- **ACTION AREA: Science-based policy making**

The Commission considers that obtaining **high quality scientific advice**, whenever appropriate for the development of policy concerning consumer protection in general and consumer health in particular, is of the utmost importance. In line with this principle, the entire system of scientific advice was reformed in June-October 1997 to reflect the principles of excellence, independence and transparency. There now exists a Scientific Steering Committee and eight new Scientific Committees.¹⁴⁾ Five of these Scientific Committees are devoted to food safety and the remaining three are:

- Scientific Committee on Cosmetic Products and Non-Food Products intended for Consumers;
- Scientific Committee on Medicinal Products and Medical Devices; and
- Scientific Committee on Toxicity, Ecotoxicity and the Environment

Notwithstanding the relatively recent changes in the structure of the Scientific Committees, the European Parliament asked the Commission to launch a **review of the working methods** of the scientific committees. In response, the Commission mandated three eminent Professors, members of the Scientific Committees of the European Commission, to reflect on the current system for the provision of scientific advice to the Commission, in the light of operations within the new structure. In order to facilitate their mission, a public hearing was organised on 4 and 5 November 1999. The Report was finalised in December 1999¹⁵⁾.

The Commission launched, in 2000, the process to renew the mandate of the Scientific Steering Committee (SSC) and of the eight specialised scientific committees. From a list of 483 candidates who responded to an open call for expression of interest, a total of 151 independent scientists were appointed members of the Scientific Committees.

The new members are in principle appointed for a three-year period, but their mandate may be adjusted in the light of the progress made in setting up the European Food Authority. The responsibility for scientific advice in the area of food safety is to be transferred to the Authority as soon as it becomes operational.

Spending under this policy objective amounted to € 4.8 million in 1999 and € 4.6 million in 2000.

¹⁴⁾ Commission Decision N° 97/404/EC of 10 June 1997 (Official Journal N° L 169 of 27.06.97) and Commission Decision N° 97/579/EC of 23 July 1997 (Official Journal N° L 237 of 28.8.97).

¹⁵⁾ The Report is available on the Internet (http://europa.eu.int/comm/food/fs/sc/future_food_en.html)

ACTION AREA: Safer products and services (other than food)

The ultimate aim of this aspect of EU consumer policy is that **only safe products and services are placed on the market**. This policy objective is designed to serve a dual purpose of both ensuring a high and consistent level of protection for consumer health and safety throughout Europe, as well as the proper functioning of the Internal Market.

Much of the work in this domain concerns legislation or other actions having a direct impact on market behaviour, such as standardisation or voluntary codes. During the period covered by this report, the following actions of particular significance have been completed or are in progress:

- In March 2000, the Commission presented a proposal¹⁶⁾ to recast the existing Directive on General Product Safety. The aim is to ensure that only safe products are placed on the market by introducing more stringent obligations on producers and distributors, better definition of product safety criteria, more effective market surveillance, more systematic collaboration between enforcement authorities of Member States, more effective emergency measures at Community level and easier access for consumers to information on product risks.
- The Commission adopted a Decision¹⁷⁾ concerning measures prohibiting the placing on the market of toys or childcare articles made of soft PVC containing certain phthalates that are intended to be placed in the mouth of a child under 3 years of age. This Decision was prolonged four times in 2000. A Commission proposal was adopted in November 2000¹⁸⁾ to amend the Directive concerning limits on the marketing and use of certain dangerous substances and preparations¹⁹⁾ and the Council Directive concerning the safety of toys²⁰⁾, and this proposal is currently being discussed in the European Parliament and in the Council.
- Preparatory work and consultations are underway to develop a Communication on the need for a possible initiative in the field of the safety of services provided to consumers.
- The Commission presented an amended proposal for a Council Directive on safety requirements and the attestation of professional competence for cabin crews in civil aviation²¹⁾.
- The Commission completed the assessment of the application of Council Recommendation 86/666/CEE on fire safety in existing hotels²²⁾, with a view to updating and reinforcing the requirements therein established.

Regulatory action needs the support of other types of action, such as monitoring, data collection and awareness raising. The implementation of such accompanying actions has included, notably,

¹⁶⁾ Official Journal N° C 337E of 28.11.00.

¹⁷⁾ Decision 1999/815/EC (Official Journal N° L 315 of 9.12.99).

¹⁸⁾ Official Journal N° C 116E of 26.4.00.

¹⁹⁾ 76/769/EEC of 27 July 1976

²⁰⁾ Directive 88/378/EEC of 3 May 1988

²¹⁾ COM (1999) 68 final

²²⁾ Official Journal N° L 384 of 31.12.86

- A study on the implementation of the General Product Safety Directive which was used as the basis for a report by the Commission to the European Parliament and the Council²³⁾ and for the Commission's proposal to recast the Directive on general product safety²⁴⁾.
- The improvement and upgrading of the "Rapid Alert Systems", based on the results of visits and discussions in Member States: expertise for the technical assessment of products notified in the system and for the technical development of an Internet-based system has been procured;
- Issuing mandates requesting the appropriate standardisation body to develop new or improved safety standards relating, amongst others, to childcare articles, fairground equipment and cigarette lighters.

3.3. POLICY OBJECTIVE : Full respect for the economic interests of EU consumers

The Internal Market has a significant part to play in improving the quality of life of EU citizens, for example, by stimulating competitive prices, enhancing the quality of service and offering wider choice. Consumers should be seen as being an integral part of this market. **Ensuring consumers are confident in shopping across borders** is as important for making the Internal Market work as is making it easier for businesses to sell across borders. This requires that the Commission must ensure that barriers to cross-border demand are removed in order that the consumer dimension can develop in parallel with the business dimension of the Internal Market.

However, an adequate level of confidence will only be achieved if the consumer's economic interests are fully respected. Notwithstanding the emphasis frequently given to improving market efficiency as an instrument for safeguarding consumer welfare, legislation still has a major role to play in protecting consumers' economic interests. However, this legislation will only be fully effective if the relevant authorities provide proper monitoring and enforcement.

Expenditure under this policy objective has risen by slightly more than € 1 million from 1999 to 2000, and totals some € 5.6 million. This reflects the increase in actions relating to the introduction of the Euro.

- **ACTION AREA: Developing a consumer-friendly internal market in financial services**

The development of the financial services sector over recent years has been characterised by its growing importance in the overall economy, a widening choice and growing complexity of the services on offer, the rapid growth of electronically-mediated services and the growth of cross-border transactions. This situation is further complicated by major differences between Member States relating to social, cultural, legal and institutional factors.

Such a background both provides **a clear justification for a policy on financial services at the EC level** and illustrates the difficulty of developing such a policy. In order to meet this challenge, the Commission adopted in 1997 a Communication on Financial Services²⁵⁾ setting out actions that were incorporated into the Consumer Policy Action Plan.

²³⁾ Commission report to the European Parliament and the Council of 29 March 2000 on the experience acquired in the application of Directive 92/59/EEC on general product safety [COM(2000)140 final].

²⁴⁾ COM(2000)139 final of 29.3.2000

²⁵⁾ COM (97) 309

The proposal for a Directive concerning the distance marketing of consumer financial services²⁶⁾ was approved by the Commission on 19 November 1998 and submitted to the European Parliament and the Council. In response to discussions with the Council, work was undertaken to compile an inventory of national prior information requirements. This inventory was completed by mid-July 2000. Although the Lisbon European Council of March 2000 urged the Council to reach a common position before the end of the year 2000, negotiations are still continuing.

The first EC legislation in this area was the Directive²⁷⁾ for the approximation of the laws, regulations and administrative provisions of the Member States concerning consumer credit. This was subsequently amended in 1990 and in 1998. Nevertheless, the rapid rate of innovation in this area has given rise to new problems and issues affecting consumers which require action. A "discussion paper" has been drafted covering these concerns and has been sent to national experts and other interested parties for consultation prior to the drafting of a formal proposal for a new Directive.

In July 1997, the Commission issued a Recommendation on electronic payment instruments²⁸⁾ which up-dated an earlier Recommendation of 1988 on payment cards. The instruments covered by the Recommendation are:

- **"bank-account-access" products:** instruments that provide for remote access to accounts held at financial institutions, typically banks. This category includes home-banking and phone-banking applications as well as payment cards;
- **"electronic-money" products:** instruments on which electronic value is stored whether as magnetic stripe or micro-circuit cards or computer memories ("e-money" or "cyber-money" products).

The Commission Recommendation concerned transactions effected by such instruments and set out the main standards to apply to the relationship between issuer and holder. The Commission launched a study in order to assess the extent of implementation of this Recommendation and the final report of this study should be completed in March 2001.

As far as the regulation of electronic money itself is concerned, a "Directive on the taking up, pursuit of and prudential supervision of the business of electronic money institutions"²⁹⁾ was adopted on 18 September 2000. In particular, this Directive clarifies the position of electronic money institutions vis-à-vis the Banking Directives, specifies prudential supervision requirements (for initial and ongoing capital, limits on permissible investments, etc.) and lays down rules for redeemability.

The Financial Services Action Plan underlined the **urgent need to establish a truly integrated consumer market** in which the interests of customers and businesses are properly protected and identified insurance intermediaries as an area where priority action was required. A clear, common approach to the rules on intermediaries is essential in order to guarantee freedom of cross-border insurance services and to maintain protection of insurance

²⁶⁾ COM(1998) 468 (OJ C 385, 11.12.1998)

²⁷⁾ Directive 87/102/EEC of 22 December 1986

²⁸⁾ Commission Recommendation on transactions by electronic payment instruments (issuer-holder) 97/489/EC -30.07.97

²⁹⁾ Directive 2000/46/EC of 18 September 2000

customers at a high level. A proposal for a Directive on insurance mediation³⁰⁾, designed to update the existing Community rules that were introduced in 1976, was adopted by the Commission on 25 September 2000.

A debate on "**Over-indebtedness**" was held at the Consumer Council in April 2000. As a follow-up, the Commission launched two studies. The first of these is intended to gather statistical data on the extent of cross-border indebtedness, whereas the second was designed to review Member States legislation on indebtedness. The results of these studies should provide useful input to the Commission's work on combating social exclusion. In addition, the Commission will use consumer policy instruments to tackle this problem. In particular, the modifications to the consumer credit Directive should lead to more informed and prudent lending practices.

In February 2001, the Commission launched a cross-border out-of-court complaints network for financial services, called FIN-NET, together with nearly 40 national complaints schemes from EU and EEA countries. This co-operation network aims at providing consumers with easy and informed access to out-of-court redress in cross-border financial services issues, at ensuring exchange of information between different schemes so that cross-border complaints can be handled as quickly, efficiently and professionally as possible, and at ensuring that out-of-court dispute settlement schemes from different Member States comply with a common set of minimum guarantees. The Commission will publish a consumer guide to out-of-court settlement of cross-border disputes in financial services at the end of 2001.

- **ACTION AREA: A single currency for consumers**

Within the domain of financial services, preparations for the introduction of the Euro are currently a matter of pre-occupation both for businesses and consumers. The process of coming to terms with the Euro is a difficult task for most consumers as money provides a framework of values affecting a person's thoughts and behaviour which are not easily changed. It is not only the most European-minded or the most active consumers who will be concerned but **each citizen** of the Euro zone from child to grandparent.

Although the Member States have the main responsibility for ensuring a smooth transition to the Euro, the Commission has also made a significant contribution to the efforts aimed at increasing consumers' familiarity with the new currency. This has included stimulating the development of information and training tools (the "Euro made easy" concept and network) and the financing of special sessions for trainers from consumer associations and other non-governmental organisations that cater especially for people likely to have difficulty in adjusting to the new currency (for example, the blind, the deaf, the old, the mentally-handicapped).

The Commission has also implemented various actions (annual studies and opinion polls) designed to encourage good practice by businesses. These actions have concerned, in particular, the monitoring of business reactions to the three Recommendations concerning the Euro, covering:

- Dual indication of prices and local observatories;
- Bank charges; and

³⁰⁾ COM (2000) 511

- The provision of consumer information.

The Commission will continue to monitor the various actions that are already underway and also consumers' reactions. The Commission plans to issue, in October 2001, a new Recommendation on the practicalities of introducing the Euro, including a section on aspects of importance to consumers.

Commitment appropriations under this action area totalled € 2.7 million in 2000.

- **ACTION AREA: Maintaining an up-to-date regulatory framework**

Modern society is characterised by a rapid rate of change in many areas. This maintains pressure on government institutions to ensure that the regulatory framework remains relevant. Meeting this objective requires monitoring the effects of existing legislation and also consideration of the need for new legislation as a result, for example, of changing marketing techniques or through product innovation. In this domain, when considering specific sectors, the Commission often has recourse to individual studies by outside experts.³¹⁾

In more general terms, the **Commission's broad objective is to simplify the legislative framework** where possible. Therefore, the items concerning revisions to the directives on misleading advertising and on door-to-door selling, which were included in the Action Plan, have been postponed as they will be considered as part of the forthcoming comprehensive green paper on the future of consumer protection. This is an example of the benefit to be obtained from applying a flexible approach to the implementation of the Action Plan with the objective of achieving a more coherent strategic approach to a particular issue.

- **ACTION AREA: Better enforcement and monitoring of existing legislation**

The EC legislative process is characterised by the participation of several types of institutions at regional, national and international levels. This situation creates numerous opportunities for different interpretations of legal requirements and different levels of enforcement in practice. Against this background, the Commission has introduced a range of actions designed to **improve the enforcement and monitoring process**.

The Commission has used informal dialogues with Member States, prior to transposition, as a means of improving national implementing legislation. Meetings have been held with Member States on 'Unit pricing' (in January 1999), on 'Distance selling' (October 1999), and on 'Comparative advertising' and 'Injunctions' (November 1999). Further meetings are planned relating to the directive on certain aspects of the sale of consumer goods and associated guarantees. Similar meetings have also taken place **after** transposition in order to review any problems that arise.

³¹⁾ For example, a study has been made on how the directive on Misleading Advertising might be amended to cater for misleading health claims and another on whether existing EC consumer law needs updating in the light of the new conditions created by the Information Society.

The Commission's work does not end once legislation is in place and has become effective, as it must remain alert to any problems that may arise. For example, the Commission has produced reports on the application of Directive 93/13/EC on unfair terms in consumer contracts³²⁾ and on consumer complaints in respect of distance selling and comparative advertising³³⁾.

However, the burden of monitoring and enforcement falls largely on the control authorities in each Member State. The Commission has encouraged the European members of the International Market Supervision Network (IMSN) to improve the conditions for co-operation and information exchange between members on an informal basis. Meetings of "IMSN Europe" were held in September 1999, in March and October 2000 and in March 2001.³⁴⁾ Technical instruments allowing the sub-group to optimise exchanges of information between its members (be it on specific problems or best practices) are being developed.

Notwithstanding these initiatives, experience has confirmed that it is difficult to develop effective administrative co-operation on an ad hoc informal basis. Existing informal co-operation does not address all the issues on which co-operation between national administrations and the Commission is required. A more formal system is needed to:

- Monitor developments systematically in order to identify and address problems;
- Give a Community dimension to the practical enforcement of consumer policy;
- Provide the framework necessary for the Commission to carry out its new Treaty role of monitoring national consumer policies;
- Provide a platform for co-operation on non-legislative initiatives;
- Provide a framework within which the administrations of the candidate countries can improve their enforcement mechanisms in the run up to accession.

The Commission will shortly launch a green paper on the future of consumer protection which will, *inter alia*, consider the option of developing a framework directive on co-operation between the Commission and Member States.

³²⁾ COM(2000)248 final of 27.04.2000

³³⁾ COM(2000)127 final of 10.03.2000

³⁴⁾ The Commission participates in the meetings of this sub-group but does not take the Chair nor sets the agenda. The Commission's contribution is limited to acting as a secretariat and providing a meeting-room and interpretation when the Chair of the IMSN is a non-European member and meetings of IMSN Europe are, therefore, held in Brussels.

- **ACTION AREA: Services of general interest**

In 1996, the Commission presented a first **Communication on Services of General Interest in Europe**³⁵⁾. This Communication marked an important step in the Commission's recognition of the role of economic services of general interest as a key aspect in the European model of society. More recently, in September 2000, a **new Communication on Services of General Interest in Europe**³⁶⁾ gives further clarification of the policy of the Commission in this area. The new Communication restates that the main objective of action must be to serve the best interests of the public by offering access to high quality services at affordable prices.

The essential nature of services of general interest has also led to the establishment of different levels of dialogue. In December 1999 the Consumer Committee approved the principles that, it is believed, need to be followed when developing the universal service concept. Several debates have also taken place in the different Consumer Councils, resulting in the adoption of a **declaration on services of general interest** during the Internal Market/Consumer Council of 30th of November 2000.

Work has also continued to develop the consumer dimension in specific sectors. In 2000, the Commission proposed a new package of legislation on electronic communications networks and services that includes a **proposal for a directive on universal service and user rights**. The proposal on the modification of the postal directive also foresees the development of a higher level of consumer protection and the Commission adopted, a Communication on the Protection of Air Passenger Rights in the European Union³⁷⁾ in June 2000.

Finally, as part of the Eurobarometer series of public opinion polls, the Commission launched, between April and May 2000, a specific poll on "**Europeans and Services of General Interest**"³⁸⁾. Consumer satisfaction with access, price, quality, information available, terms and conditions of contracts, complaints handling, was measured for a fixed basket of services, composed of mobile and fixed telephony, electricity, gas and water supply, postal services, urban transport and inter-city rail services.

- **ACTION AREA: Better integration of consumer economic interests in other EU policies**

By definition, consumers operate in a market environment that is subject to the social, economic, legal, political and institutional forces of the area concerned. Therefore, consumer policy, at whatever level, cannot be developed in isolation but must promote the interests of consumers in a context where other interests are at stake. It is for this reason that the notion of consumer policy is increasingly seen as ensuring the integration of consumers' interests in the development of all other relevant policy areas.

This applies with particular force at the EC level and, over the past two years, efforts to integrate consumer interests have been made with encouraging results in the following areas:

³⁵⁾ Commission Communication 'Services of General Interest in Europe': 26.9.1996; COM(96) 443

³⁶⁾ Commission Communication 'Services of General Interest in Europe':15.9.2000; COM(2000) 580

³⁷⁾ Communication on 'The protection of Air Passenger Rights in the European Union'; 21.6.2000; COM(2000) 365

³⁸⁾ Eurobarometer N° 53 - October 2000 - The results and the executive summary are available at http://europa.eu.int/comm/consumers/policy/developments/serv_gen_int/

Internal Market, including *Ecommerce* & financial services

Information Society policy, including telecommunications

Competition policy

Transport policy, including air transport

Introduction of the Euro

Audio-visual policy

Agriculture policy

Energy policy

Implementation of the European Research Area

Fisheries policy

Notwithstanding the progress achieved so far, the current approach tends to be somewhat *ad hoc* and a **firmer and more systematic basis** for the integration of consumer interests in all relevant EC policies is needed in order to meet the objective specified in Article 153 of the Treaty. This should be kept in mind when considering the development of the next Action Plan.

4. LESSONS LEARNED FROM THE EXISTING ACTION PLAN

The current Action Plan will expire at the end of 2001 and, therefore, the Commission will shortly start the process of drafting a new Action Plan. This process for preparing the next Action Plan will take account of experience gained over the last two years and, in particular, of **three principal lessons**:

- The benefits of flexibility in implementing the Action Plan;
- The need to adopt a more strategic approach to EU consumer policy;
- The **importance of effective integration** of a consumer dimension in all relevant EC policies.

Flexibility in implementation

Although the Action Plan was established for a period of three years, this time horizon must not be seen as a "straight-jacket" that excludes any possibility of adjustment. Rather, the Action Plan should be seen as the basis for a **dynamic process** which, whilst providing a sufficiently sound foundation for resource planning, is flexible enough to adapt to changing circumstances. For example, the current Action Plan had to be adjusted to take account, in particular, of:

- The need to deal with food safety as an issue of prime importance, and
- The rapid development of electronic commerce.

A more strategic approach

Whilst there are clear benefits to maintaining this flexibility, adjustments should only be made within the limits of an agreed policy framework. Indeed, one criticism that has been levelled at the current Action Plan is that it is still too much of a "patchwork" of numerous individual actions that lacks a well-structured underlying strategy through which a synergy between the various objectives and actions can be developed. This can lead to a certain lack of coherence,

for example, through the inclusion of specific actions in the absence of an underlying political objective.

Although there are historical reasons for such an approach, the recent recognition of the importance of consumer policy justifies a move towards **a more systematic and strategic approach** that will provide a sound basis for a more coherent policy. This change of approach will require action in two key areas:

- The development of a "knowledge base"³⁹⁾;
- The introduction of impact assessment techniques.

The current Action Plan, as well as its predecessors, has been handicapped, to some extent, by the limited availability of the data necessary to arrive at an informed judgement. Indeed, over the last decade, a significant number of consumer-related actions initiated by the Commission have been on a pilot basis precisely in order to overcome this lack of information. However, in the evolving information age, a more systematic and comprehensive effort is needed to develop a suitable "knowledge base" as an essential tool to assist policy development.

A preliminary step in this direction has been made in the action to prepare a publication entitled "**European Consumers in Facts and Figures**". By bringing together the most relevant and useful data in this area, this publication will improve the availability of basic factual information as the necessary foundation for the evaluation and development of consumer policy. The material will include data from various sources including EUROSTAT, other Commission services as well as external surveys and studies. Work has commenced on collecting the relevant data and it is expected that the final publication will be produced towards the end of 2001.

The material will be of considerable use in the evaluation and development of consumer policy and in helping to better understand the needs of consumers in general. The publication is intended to be of use not only to policy makers, but also to consumer organisations and the general public.

The coherence of the Commission's consumer strategy and the effectiveness and efficiency of the associated actions would be improved by **a more systematic recourse to impact assessment techniques**. Impact assessment can be conducted at any stage in the programme cycle. It may be conducted before a programme or policy is implemented (i.e. *ex ante*), when potential impacts of a planned policy intervention are assessed. It may also be conducted when a programme or policy has come to an end (i.e. *ex post*), involving an estimation of impacts produced.

These techniques would help:

- to decide, *ex ante*, which policies and actions are most appropriate for the attainment of the identified objectives; and also
- to verify, *ex post*, whether the expected impact has been achieved in practice.

³⁹⁾ This is a particular example of action that will contribute to the implementation of the European Research Area.

The following evaluations of activities have already been undertaken using contracts with external firms:

- the pilot projects on sustainable consumption, for which a report was received on 11.9.2000;
- the "Consumerland" project (an informatics-based virtual consumers' world), for which the evaluation was received on 22.12.2000;
- the food safety campaign, for which a report was received on 30.3.2001.

In addition, an evaluation of the financial support granted to European consumer organisations is underway, and the report is expected to be presented in September 2001.

The Commission intends to seek an external evaluation of how it has met certain commitments set out in the current Action Plan. This evaluation will provide one input to the overall assessment of the implementation of the Action Plan. However, in order to provide a sound basis for a more complete and transparent appraisal of the effectiveness and efficiency with which consumer policy is being conducted, every effort will be made to improve the capacity of the Commission's services to conduct both *ex ante* and *ex post* evaluations.

Effective integration

Article 153 of the Amsterdam Treaty, paragraph 2 states that "*Consumer protection requirements shall be taken into account in defining and implementing other Community policies and activities.*" As noted above, efforts to ensure that EC policy initiatives have taken full account of consumers' interests have been increasingly successful. These past efforts have, however, been largely on an *ad hoc* basis. Moreover, as a systematic record of this work has not been maintained, appropriate recognition of the extent of any success has not been forthcoming. Against this background, it is clear that further action is needed to achieve effective integration. The central objective must be to ensure that consideration of the consumer dimension becomes an **integral** part *ab initio* of the development of all relevant EC policies and actions, as other relevant policies will be taken into account within consumer protection policy.

Existing efforts to ensure that a consumer dimension is included in all relevant EC policies and activities, including constructive participation in inter-service consultation procedures and the progressive development of a network of specialised contacts, will be pursued and, where possible, intensified. However, such contacts should be complemented by the introduction of a systematic co-ordination mechanism. The Commission, therefore, will establish a permanent "**Inter-services group on consumer policy**". This group, which would meet on a regular basis, would help to identify priority areas for integration and facilitate a more pro-active approach to ensuring that consumers' interests are taken into account in all EC policies and activities.

The greater use of policy impact assessments and evaluations, as mentioned in the previous section, will also facilitate the task of ensuring that consumer concerns are properly taken into account in all relevant EC policy areas. The better the policy impact assessment capacity, the more persuasive will the arguments become, thus increasing the likelihood of convincing not only consumer representatives but also business and other stakeholders as well as the Council and the European Parliament.

Complementary actions

Meeting the challenge of ensuring more responsive policy-making that reflects the needs of citizens and consumers requires more than a change of attitude within a single institution. It also requires a greater interest amongst the general public in debating policy issues and the development of effective means of communicating the resulting consensus views to the relevant institutions.

In this respect, the restructured Consumer Committee⁴⁰⁾ has an important role to play in ensuring better policy integration. At the inaugural meeting of the Committee held on 7.11.2000, the Consumer Committee was asked *"to act as an effective advocate of consumer interests through its active participation and input in consumer policy developments in the Commission. It should also engage constructively with other stakeholders in promoting consumer interests. In addition, it should develop contacts with other Community institutions, in particular, the Council and the Parliament"*.⁴¹⁾

In order to help the Consumer Committee to fulfil its mandate, the Commission will make every effort to inform the Committee, **at the earliest possible stage**, of issues relevant to consumers that are under consideration by the Commission. The objective must be to ensure that consumer interests are taken into account right from the conceptual stage of any relevant political initiative.

As a complement to the traditional channels already used by consumer organisations to identify issues of consumer concern, the Commission is also exploring the feasibility of using the Internet to improve **governance by interactivity**. It is proposed to pursue this objective initially by developing two types of action:

- **Collection of spontaneous feedback via intermediaries** - Unlike polls or consultations (which address a particular subject at a particular time), a feedback mechanism is neutral and can relay reactions from the marketplace continuously, thus providing an updated view of problem areas almost in real time;
- **Consultations on an identified topic** – Similar internet mechanisms can be used for:
 - issues which can be answered by voting yes/no, or by choosing one option from a limited set of possibilities, or
 - more complex subjects (such as new policies or draft legislation), where multiple choice questions need to be combined with the option to provide answers in freeform text.

Discussions on this Interactive Policy Making Initiative⁴²⁾ are continuing, and it is intended that consumer related issues would be one of the areas included in this mechanism. Both the Signpost Service, which handles citizens' queries including those concerning their rights as consumers in the Internal Market, and the European Consumer InfoCentres (Euroguichets) will initially provide the information feedback in the field of consumer policy. The analysis of this data concerning consumers' experiences will help the Commission to evaluate the impact of consumer policy.

⁴⁰⁾ See the earlier section on **"A more powerful voice for the consumer throughout the EU"**

⁴¹⁾ Speech by Commissioner Byrne to the Consumer Committee (7.11.2000)

⁴²⁾ See IP/01/519

Other considerations relating to future policy development

As the coverage of EC consumer protection legislation gradually expands, attention will tend to shift from the need to develop legislation to cater for newly-revealed problem areas and will focus more on the accompanying measures needed to **ensure that existing legislation becomes effective** in practice. Ineffective enforcement undermines the objectives of EC legislation. It is, therefore, essential that existing legislation both be correctly transposed into national legal systems and, once implemented, be enforced in an efficient and systematic manner by the competent enforcement authorities in each Member State. Co-operation between the relevant authorities is necessary to ensure that collective consumer rights are not undermined and consideration should be given to how this may be strengthened. Moreover, if consumer's individual rights are to have practical value, mechanisms must exist to ensure they can be effectively exercised. In particular, access to justice requires simple, efficient and effective solutions to provide consumers with realistic opportunities to seek redress when they have suffered detriment.

Another policy area that will obviously assume greater political importance in the next policy document is the practical effects of **enlargement**. If Community consumer protection is to be taken on effectively in the candidate countries, attention will need to be focussed on three areas in particular. Firstly, ensuring that the requirements of Community law on consumer protection are fully adopted by the candidate countries. Secondly, ensuring an effective monitoring and enforcement system in those countries to put consumer protection rules into effect. Thirdly, provision should be made for support to help reinforce consumer organisations in the candidate countries so that consumers become aware of their rights and can exercise them effectively. In order to meet these objectives, appropriate provisions will need to be incorporated in the next legal base.

5. CONCLUSION

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.

Annex 1

IMPLEMENTATION OF DECISION 283/1999/EC IN YEAR 1999 AND 2000 (in €)		
Policy objective 1 – A More Powerful Voice for the Consumer Throughout the EU		
ACTION	Year 1999	Year 2000
Euroguichets – serving EU consumers better	1,719,014	1,950,530
European Consumer Centres (including handling of complaints)	1,719,014	1,950,530
Better information and education for consumers	6,135,997	5,450,225
Europa Homepage on the Internet	299,490	411,530
Eurobarometer - inquiry on consumer associations	293,595	0
Information Campaign on Food Safety	4,108,373	3,772,899
Consumer Voice (1999 editions)	62,000	0
Consumer Voice (2000 editions)	228,000	394,699
Consumerland	0	0
Consumerland - informatics development	0	13,714
Integration of consumer education into Member States' school curricula	413,445	0
European Young Consumers Competition	703,229	657,383

Publication	27,865	0
Meetings	0	200,000
International co-operation	30,000	0
Meeting with Japanese consumers organisations	30,000	0
Financial support	4,603,709	2,735,738
Article 2b): Financial support to European consumer organisations - year 1999	1,423,203	
Article 2b): Financial support to European consumer organisations - year 2000	1,355,000	240,185
Article 2b): Financial support to European consumer organisations - year 2001		1,430,000
Article 2c): Financial support	1,825,506	990,553
TOTAL POLICY OBJECTIVE 1	12,488,720	10,136,493

<u>Policy objective 2 – A High Level of Health and Safety for EU Consumers</u>		
ACTION	Year 1999	Year 2000
Science-based policy-making	2,334,629	2,193,128
Scientific committees : experts' allowances	1,450,000	1,500,000
Scientific committees: preparatory analyses	69,435	32,575
Extension of contracts: RIVM et LNR	127,923	0
Scientific committees' research on hair dyes	48,618	0
Opinions of the Scientific committees recorded on CD-Rom	36,888	39,100
BSE: publication	4,913	0
BSE studies	474,740	621,453
Critical review on xenobiotic hormones	6,647	0
Risk assessment for human health of haloethers (isomeric bis(dichloropropyl)ethers)	115,465	0
Safer products	262,428	35,000
Eurobarometer on the assessment of the effectiveness of various safety markings (also the CE mark)	106,940	0

Eurobarometer on GMO labelling	155,488	0
Technical assistance: revision of the General Product Safety Directive	0	35,000
Safer services	198,010	9,740
Study : general duty to trade fairly (study transferred from part A of the Budget)	78,900	0
Expert services: hearing on door-to-door selling	0	9,740
Study on the justification, needs and priorities in the field of safety of services	119,110	0
Better enforcement, monitoring and response to emergencies	1,189,708	1,188,151
Rapid Exchange of Information System for non-food products	61,913	0
Rapid Exchange of Information System for food products	366,860	347,730
IMS 24/EMIS (Euratom Management Information System): system for the activities of the FVO (planning of the inspections, follow-up and reports)	395,935	490,421
Experts accompanying Commission teams on missions	335,000	350,000
Training: Europhyt	30,000	0
Seminars / conferences	57,408	84,529
Finnish Presidency conference: « European Food 2000 » (23-24/09)	28,372	0
Forum on toxicology	29,036	0
Danish conference on endocrine disrupters	0	84,369

Other	0	160
Financial support	802,878	1,120,478
Article 2c): Financial support	802,878	1,120,478
TOTAL POLICY OBJECTIVE 2	4,845,061	4,631,026

<u>Policy objective 3 - Full Respect for the Economic Interests of EU Consumers</u>		
ACTION	Year 1999	Year 2000
Financial services and a single currency for consumers	979,904	2,713,257
Eurobarometer on the Euro	493,248	442,497
Euro actions : implementation of agreement between consumers and business	99,636	0
Euro actions : « Euro Made Easy » (information campaign for vulnerable consumers)	61,786	100,000
Evolution of bank tariffs after the introduction of the Euro; in particular trans-border tariffs		0
Seminar: training of trainers	276,360	0
Publications: Euro Made Easy	0	30,000
Financial dialogue	48,874	0
Training seminar for Greek NGOs	0	218,639
Training seminar	0	150,000
Inquiry on the application of the agreement between consumers and business	0	99,547
Reproduction and transmission of information material on the Euro	0	1,000,000
Eurobarometer on financial services	0	315,927

Overindebtedness: overview of current use of methods of payment - statistical data and option for solutions	0	209,750
Qualitative study: preparedness of consumers in view of the introduction of the Euro	0	146,897
A more up-to-date regulatory framework	119,735	0
Compilation of consumers rights	61,155	0
Preparation of a Community system for verification and certification of « Green claims »	45,680	0
Follow up contract with CDC	12,900	0
Better enforcement and monitoring	995,786	303,224
Database for Unfair Contractual Terms (CLAB): collection and analysis	283,000	158,424
Database for Unfair Contractual Terms (CLAB): informatics support	96,117	0
Publication of the conference acts on unfair contract terms	7,910	0
Eurobarometer - access to justice	288,443	0
Form "Access to justice": contracts 1998	247,683	0
Form "Access to justice" : new contracts	2,500	0
International Marketing Supervision Network (IMSN): system of exchange of standardised information between enforcement authorities	70,133	144,800
Better integration of consumer economic interest in other EU policies	356,546	335,003
Price index study (cofinancing with Eurostat, DG MARKT)	0	160,003

Network of integration experts	22,900	0
Network of integration experts	38,000	0
Follow-up of the conference of Rome - Development of a web-site	42,500	0
Eurobarometer on services of general interest	203,146	0
Soft-law work shop	50,000	0
Consumer policy statistical publication	0	175,000
Seminars/conferences	152,673	75,000
German Presidency conference on electronic commerce	83,548	0
Finnish Presidency conference on « Services of general interest in Europe »	69,125	0
Seminar: duty to trade fairly	0	75,000
Financial support	1,910,273	2,190,932
Article 2c): Financial support	1,910,273	2,190,932
TOTAL POLICY OBJECTIVE 3	4,514,917	5,617,416

EVALUATIONS	Year 1999	Year 2000
	386,240	99,984
Evaluation of food safety campaign	224,050	0
Evaluation of pilot projects on sustainable consumption	97,650	0
Evaluation of "consumerland"	64,540	0
Evaluation of financial support granted to European consumer organisations (Article 2 b)	0	99,984
GRAND TOTAL IMPLEMENTED	22,234,938	20,484,919
GRAND TOTAL AVAILABLE	22,350,000	22,905,000

Annex 2

	1999	2000
Total number of requests for financial support received by the Commission in response to the calls	210	178
Total number of requests not fulfilling the conditions and criteria of the call and therefore rejected	157	137
<i>Number of approved individual projects*</i>	49	36
<i>Number of European consumer organisations supported **</i>	4	5

Total amount of financial support requested (<i>euro</i>)	19,816,169	16,240,225
<i>Total amount of support granted to individual projects (euro)*</i>	4,538,657	4,680,164
<i>Total amount of support granted for the activities of European consumer organisations (euro) **</i>	1,423,203	1,595,185
Total number of dossiers implemented ***	45	41

* *Financial support granted under Article 2 c) of Decision 283/1999/EC*

** *Financial support granted under Article 2 b) of Decision 283/1999/EC*

*** *This figure comprises financial support under both Article 2 b) and 2 c). It shows the number of dossiers that were implemented at the end of the year.*