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*****I**
REPORT

on the proposal for a regulation of the European Parliament and of the Council
on a consumer programme 2014-2020
(COM(2011)0707 – C7-0397/2011 – 2011/0340(COD))

Committee on the Internal Market and Consumer Protection

Rapporteur: Robert Rochefort

Symbols for procedures

- * Consultation procedure
- *** Consent procedure
- ***I Ordinary legislative procedure (first reading)
- ***II Ordinary legislative procedure (second reading)
- ***III Ordinary legislative procedure (third reading)

(The type of procedure depends on the legal basis proposed by the draft act.)

Amendments to a draft act

In amendments by Parliament, amendments to draft acts are highlighted in ***bold italics***. Highlighting in *normal italics* is an indication for the relevant departments showing parts of the draft act which may require correction when the final text is prepared – for instance, obvious errors or omissions in a language version. Suggested corrections of this kind are subject to the agreement of the departments concerned.

The heading for any amendment to an existing act that the draft act seeks to amend includes a third line identifying the existing act and a fourth line identifying the provision in that act that Parliament wishes to amend. Passages in an existing act that Parliament wishes to amend, but that the draft act has left unchanged, are highlighted in **bold**. Any deletions that Parliament wishes to make in such passages are indicated thus: [...].

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DRAFT EUROPEAN PARLIAMENT LEGISLATIVE RESOLUTION

on the proposal for a regulation of the European Parliament and of the Council on a consumer programme 2014-2020
(COM(2011)0707) – C7-0397/2011 – 2011/0340(COD))

(Ordinary legislative procedure: first reading)

The European Parliament,

- having regard to the Commission proposal to Parliament and the Council (COM(2011)0707),
 - having regard to Article 294(2) and Article 169 of the Treaty on the Functioning of the European Union, pursuant to which the Commission submitted the proposal to Parliament (C7-0397/2011),
 - having regard to Article 294(3) of the Treaty on the Functioning of the European Union,
 - having regard to the opinion of the European Economic and Social Committee of 28 March 2012¹,
 - having regard to Rule 55 of its Rules of Procedure,
 - having regard to the report of the Committee on the Internal Market and Consumer Protection and the opinions of the Committee on Budgets and the Committee on Legal Affairs (A7-0214/2012),
1. Adopts its position at first reading hereinafter set out;
 2. Calls on the Commission to refer the matter to Parliament again if it intends to amend its proposal substantially or replace it with another text;
 3. Instructs its President to forward its position to the Council, the Commission and the national parliaments.

Amendment 1

Draft legislative resolution
Paragraph 1 a (new)

Draft legislative resolution

Amendment

***1a. Recalls its resolution of 8 June 2011
on Investing in the future: a new
Multiannual Financial Framework***

¹ OJ C, , p. .

(MFF) for a competitive, sustainable and inclusive Europe¹; reiterates that sufficient additional resources are needed in the next MFF in order to enable the Union to fulfil its existing policy priorities and the new tasks provided for in the Treaty of Lisbon, as well as to respond to unforeseen events; points out that, even with an increase in the level of resources for the next MFF of at least 5 % compared to the 2013 level, only a limited contribution can be made to the achievement of the Union's agreed objectives and commitments and the principle of Union solidarity; challenges the Council, if it does not share this approach, to clearly identify which of its political priorities or projects could be dropped altogether, despite their proven European added value;

¹ *Texts adopted, P7_TA(2011)0266.*

Amendment 2

Draft legislative resolution Paragraph 1 b (new)

Text proposed by the Commission

Amendment

Ib. Stresses that the proposed total budget of the consumer programme 2014-2020, amounting to EUR 197 million (at current prices) is modest and points out 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;

Amendment 3

Draft legislative resolution Paragraph 1 c (new)

Text proposed by the Commission

Amendment

1c. Considers EUR 20,65 million for administrative expenditure, arising from the implementation of the programme, to be high;

Justification

Since the total amount of the program is 197 million, 20.65 million for administrative expenditure is more than 10 percent of the total envelope.

Amendment 4

Proposal for a regulation Recital 2 a (new)

Text proposed by the Commission

Amendment

(2a) The Consumer Programme for the period 2014-2020 ('the Programme') should help ensure a high level of protection for consumers and fully support the ambitions of Europe 2020 as regards growth and competitiveness by integrating specific Europe 2020 concerns on the digital agenda for Europe to ensure that digitalisation actually leads to increased consumer welfare, on sustainable growth by moving towards more sustainable patterns of consumption, on social inclusion by taking into account the specific situation of vulnerable consumers and the need of an ageing population, and on smart regulation through consumer market monitoring to help design smart and targeted regulations.

Formerly recital 1a, as the numbering in the FR version is incorrect.

Justification

Ce programme doit permettre à l'Union de répondre aux nouveaux défis posés par la politique des consommateurs à l'horizon 2020. Il est en ce sens justifié de le tourner davantage vers le futur en rappelant les objectifs de la stratégie Europe2020 pour une croissance intelligente, durable et inclusive qui prenne en compte le développement de l'environnement numérique, la complexité croissante de la prise de décision, la nécessité d'opter pour des habitudes de consommation plus durables et de prendre en compte le vieillissement de la population et l'inclusion des personnes vulnérables.

Amendment 5

Proposal for a regulation

Recital 2 b (new)

Text proposed by the Commission

Amendment

(2b) The Commission Communication of 22 May 2012 entitled 'A European Consumer Agenda - Boosting confidence and growth' sets out a strategic framework for Union consumer policy in the years to come by supporting consumer interests in all Union policies. The aim of the Consumer Agenda is to create a strategy in which political action will efficiently and effectively support consumers throughout their lives by ensuring the safety of the products and services made available to them, by informing and educating them, by supporting bodies that represent them, by strengthening their rights, by giving them access to justice and redress and by compliance with legislation.

Formerly recital 1b, as the numbering in the FR version is incorrect.

Justification

Reference should be made to the Consumer Agenda, and there should be consistency between the strategy and the financial programme.

Amendment 6

Proposal for a regulation
Recital 2 c (new)

Draft legislative resolution

Amendment

(2c) The recent economic downturn has exposed a number of shortcomings and inconsistencies in the single market, which have had adverse implications for consumers' and citizens' confidence. Whilst it is necessary to acknowledge the budgetary constraints under which the Union is currently operating, the Union should nevertheless provide adequate financial means to support a strategy for smart, sustainable and inclusive growth.

Amendment 7

Proposal for a regulation
Recital 2 d (new)

Text proposed by the Commission

Amendment

(2d) The elimination of direct and indirect obstacles to the proper functioning of the internal market and improving citizens' trust and confidence in the system, in particular when buying cross-border, is essential for the completion of the internal market. The Union should aim to create the right market conditions to empower consumers by providing them with sufficient tools to make considered and informed decisions and by raising consumer awareness.

Amendment 8

Proposal for a regulation
Recital 3

Text proposed by the Commission

Amendment

(3) This Regulation takes into account the economic, social and technical

(3) This Regulation takes into account the economic, social and technical

environment and the concomitant emerging challenges. In particular, actions funded under this programme will seek to address issues linked to globalisation, digitalisation, the need to move towards more sustainable patterns of consumption, population ageing, social exclusion and the issue of vulnerable consumers. Integrating consumer interests into all Union policies, in accordance with Article 12 TFEU, **should be given** high priority. Coordination with other Union policies and programmes is a key part of ensuring that consumer interests are taken fully into account in other policies. In order to promote synergies and avoid duplication, other Union funds and programmes should provide for financial support for the integration of consumer interests in their respective fields.

environment and the concomitant emerging challenges. In particular, actions funded under this programme will seek to address issues linked to globalisation, digitalisation, **the growing level of complexity of decisions that consumers have to make**, the need to move towards more sustainable patterns of consumption, population ageing, social exclusion and the issue of vulnerable consumers. Integrating consumer interests into all Union policies, in accordance with Article 12 TFEU, **is a** high priority. Coordination with other Union policies and programmes is a key part of ensuring that consumer interests are taken fully into account in other policies. In order to promote synergies and avoid duplication, other Union funds and programmes should provide for financial support for the integration of consumer interests in their respective fields.

Formerly recital 2, as the numbering in the FR version is incorrect.

Amendment 9

Proposal for a regulation

Recital 3 a (new)

Text proposed by the Commission

Amendment

(3a) The Programme should ensure a high level of protection for all consumers, devoting particular attention to vulnerable consumers, in order to take into account their specific needs and strengthen their capabilities, as called for in the Resolution of the European Parliament of ... on a strategy for strengthening the rights of vulnerable consumers¹. In particular, the Programme should ensure that vulnerable consumers have access to information on goods and services, in order to have equal opportunities to make free and informed choices, especially since vulnerable consumers may have difficulties in accessing and comprehending consumer information,

and therefore risk being misled.

¹ OJ ...

Amendment 10

Proposal for a regulation Recital 3 b (new)

Text proposed by the Commission

Amendment

(3b) Stakeholders should commit to responsible advertising towards minors, in particular by refraining from aggressive and misleading TV and online advertising.

Amendment 11

Proposal for a regulation Recital 4

Text proposed by the Commission

Amendment

(4) These actions should be laid down in a consumer programme for the period 2014 – 2020 (hereinafter 'the Programme'), providing a framework for funding Union actions. In accordance with Article 49 of Council Regulation (EC, Euratom) No 1605/2002 of 25 June 2002 on the Financial Regulation applicable to the general budget of the European Communities, this Regulation is to provide the legal basis for the action and for the implementation of the Programme. This Regulation builds on and continues the actions funded under Decision No 1926/2006/EC of the European Parliament and of the Council of 18 December 2006 establishing a programme of Community action in the field of consumer policy (2007-2013).

(4) These actions should be laid down in a consumer programme for the period 2014 – 2020 (hereinafter 'the Programme'), providing a framework for funding Union actions. In accordance with Article 49 of Council Regulation (EC, Euratom) No 1605/2002 of 25 June 2002 on the Financial Regulation applicable to the general budget of the European Communities ***and its subsequent revision by Regulation (EU) No XXX/201Y¹***, this Regulation is to provide the legal basis for the action and for the implementation of the Programme. This Regulation builds on and continues the actions funded under Decision No 1926/2006/EC of the European Parliament and of the Council of 18 December 2006 establishing a programme of Community action in the field of consumer policy (2007-2013).

Amendment 12

Proposal for a regulation

Recital 5

Text proposed by the Commission

(5) It is important to improve consumer protection. To achieve this general objective, specific objectives should be set as regards safety, consumer information and education, rights and redress as well as enforcement in respect of consumer rights. The value and impact of the measures taken under the Programme should regularly be monitored and evaluated. ***For the purposes of evaluating consumer policy*** indicators should be developed.

Amendment

(5) It is important to improve consumer protection. To achieve this general objective, specific objectives should be set as regards safety, consumer information and education ***and support for consumer organisations at Union level***, rights and redress as well as enforcement in respect of consumer rights. The value and impact of the measures taken under the Programme should regularly be monitored and evaluated ***to facilitate smarter policy design. To evaluate consumer policy and particularly the precise impact of the measures taken***, indicators should be developed ***that may be supplemented by background details***.

Formerly recital 4, as the numbering in the FR version is incorrect.

Justification

The importance of support for consumer organisations is such that it forms an objective in itself and should be mentioned as such.

Amendment 13

Proposal for a regulation

Recital 5 a (new)

Text proposed by the Commission

Amendment

(5a) It is important to improve consumer confidence. In order to achieve that objective, it is necessary to strengthen the scope for action, particularly through appropriate financial support to

intermediaries such as European consumer organisations and European consumer centres, taking into account their major role in providing information and assistance to consumers about their rights, supporting consumers in consumer disputes, in particular with regard to access to appropriate dispute resolution mechanisms, and promoting consumer interests in the construction of the internal market. Those organisations and centres should have the capacity to enhance consumer protection and confidence by taking action on the ground and tailoring aid, information and education to the individual.

Formerly recital 4a, as the numbering in the FR version is incorrect.

Justification

Consumer organisations play a vital role in the provision of information and assistance to consumers in order to help them exercise their rights, and in representing their interests when new legislation is drafted.

Amendment 14

**Proposal for a regulation
Recital 6**

Text proposed by the Commission

(6) It is necessary to ***provide for*** the eligible actions by which those objectives are to be achieved.

Amendment

(6) It is necessary to ***specify in advance*** the eligible actions by which those objectives are to be achieved

Amendment 15

**Proposal for a regulation
Recital 9 a (new)**

Text proposed by the Commission

Amendment

(9a) In the spirit of the principles of sound financial management,

transparency and flexibility in the implementation of the Programme, the continuation of the executive agency should be permissible only on the basis of a clearly positive result of a new, independent cost-benefit analysis.

Amendment 16

Proposal for a regulation Recital 9 b (new)

Text proposed by the Commission

Amendment

(9b) Expenditure of Union and Member States' funds in the area of consumer safety, education, rights and enforcement should be better coordinated in order to assure complementarity, better efficiency and visibility, as well as to achieve better budgetary synergies.

Justification

The Commission should attempt to increase the capacity of national consumer associations, especially in Member States with relatively weaker consumer culture, through better pooling and coordination of resources.

Amendment 17

Proposal for a regulation Recital 11

Text proposed by the Commission

Amendment

(11) In the context of the implementation of the Programme, *where appropriate*, cooperation with third countries not participating in the Programme should be encouraged, taking into account any relevant agreements between those countries and the Union.

(11) In the context of the implementation of the Programme, *and given the globalisation of the production chain and the increasing interdependence of markets*, cooperation with third countries not participating in the Programme should be encouraged, taking into account any relevant agreements between those countries and the Union.

Formerly recital 10, as the numbering in the FR version is incorrect.

Justification

Globalisation and the growth in international trade make it necessary to strengthen cooperation activities with third countries, which in 2010 were the source of at least 73% of the products notified for non-compliance with European legislation.

Amendment 18

Proposal for a regulation

Recital 12

Text proposed by the Commission

(12) In order to amend certain non-essential elements of this Regulation, the power to adopt acts in accordance with Article 290 *TFEU* should be delegated to the Commission in respect of the adaptation of the indicators set out in Annex II. It is of particular importance that the Commission carry out appropriate consultations *during* its preparatory work, including at expert level. The Commission, when preparing and drawing up delegated acts, should ensure simultaneous, timely and appropriate transmission of relevant documents to the European Parliament and Council.

Amendment

(12) In order to amend ***and supplement*** certain non-essential elements of this Regulation, the power to adopt acts in accordance with Article 290 ***of the Treaty on the Functioning of the European Union*** should be delegated to the Commission in respect of ***the adoption of the annual work programmes and*** the adaptation of the indicators set out in Annex II, ***in order to supplement the list of actions in Annex I, and to adopt variations of more than 20 % to the indicative amounts specified in Annex IIa.*** It is of particular importance that the Commission carry out appropriate consultations ***throughout*** its preparatory work, including at expert level. The Commission, when preparing and drawing up delegated acts, should ensure simultaneous, timely and appropriate transmission of relevant documents to the European Parliament and Council.

Formerly recital 11, as the numbering in the FR version is incorrect.

Justification

As the adoption of annual work programmes involves policy choices aimed at specifying and then supplementing the priorities and actions, including the allocation of financial resources, which are established in the basic legislative act, this requires a delegation of power to the Commission pursuant to Article 290 TFEU. A decision to supplement the list of actions in Annex I with similar actions should take the form of a delegated act in accordance with Article 290 TFEU.

Amendment 19

Proposal for a regulation

Recital 13

Text proposed by the Commission

Amendment

(13) In order to ensure uniform conditions for the implementation of this Regulation, implementing powers should be conferred on the Commission in respect of the adoption of annual work programmes. Those powers should be exercised in accordance with Regulation (EU) No 182/2011 of the European Parliament and of the Council of 16 February 2011 laying down the rules and general principles concerning mechanisms for control by Member States of the Commission's exercise of implementing powers. Given that the Programme does not set out criteria for the safety of products but aims at providing financial support to tools for the implementation of product safety policy, and given the relatively small amount concerned, it is appropriate that the advisory procedure applies.

deleted

Formerly recital 12, as the numbering in the FR version is incorrect.

Justification

As the adoption of annual work programmes involves policy choices aimed at specifying and then supplementing the priorities and actions, including the allocation of financial resources, which are established in the basic legislative act, this requires a delegation of power to the Commission pursuant to Article 290 TFEU. Cf. recital 11.

Amendment 20

Proposal for a regulation Article 2

Text proposed by the Commission

The aim of the Programme is to support the policy objective of placing the empowered consumer at the centre of the internal market. The Programme will do so by contributing to protecting the health, safety and economic interests of consumers, as well as to promoting their right to information, education and to organise themselves in order to safeguard their interests. The Programme will complement, support and monitor the policies of Member States.

Amendment

The aim of the Programme is to support the policy objective of placing the empowered consumer at the centre of the internal market. The Programme will do so, ***within the framework of an overall strategy for smart, sustainable and inclusive growth***, by contributing to protecting the health, safety, economic ***and legal*** interests of consumers, as well as to promoting their right to information, education and to organise themselves in order to safeguard their interests. The Programme will complement, support and monitor the policies of Member States.

The Programme shall also be complemented by other Union instruments and policies, in particular under the 2014-2020 Multiannual "Rights and Citizenship" programme which includes, as one of its objectives, the empowerment of consumers¹.

¹ ***Objective [(e)] of Regulation (EU) No XXX./201Y [establishing for the period 2014 to 2020 the Rights and Citizenship Programme].***

Justification

This programme should enable the Union to respond to the new challenges posed by consumer policy up to 2020. In this sense, it is justified to orient it more towards the future by reiterating the objectives of the Europe2020 strategy for smart, sustainable and inclusive growth.

Amendment 21

Proposal for a regulation

Article 3 – paragraph 1 – point a – paragraph 2

Text proposed by the Commission

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

Amendment

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

Amendment 22

Proposal for a regulation

Article 3 – paragraph 1 – point b

Text proposed by the Commission

b) Objective 2 - information and education: to improve consumers' education, information and awareness of their rights, to develop the evidence base for consumer policy and to provide support to consumer organisations

Amendment

b) Objective 2 - information and education, **and support to consumer organisations**: to improve consumers' education, information and awareness of their rights, to develop the evidence base for consumer policy and to provide support to consumer organisations

Justification

The importance of support for consumer organisations is such that it forms an objective in itself. The distinction between this objective and the consumer information and education objectives must therefore be made clear here.

Amendment 23

Proposal for a regulation

Article 3 – paragraph 1 – point c

Text proposed by the Commission

c) Objective 3 - rights and redress: to **consolidate** consumer rights in particular through regulatory action and improving access to redress including alternative

Amendment

c) Objective 3 - rights and redress: to **develop and reinforce** consumer rights in particular through **smart** regulatory action and improving access to **simple, efficient,**

dispute resolution.

This objective will be measured in particular through the recourse to alternative dispute resolution to solve cross-border disputes and through the activity of a Union-wide on-line dispute resolution system.

expedient and low-cost individual and, where appropriate, collective redress including alternative dispute resolution.

This objective will be measured in particular through the recourse to alternative dispute resolution to solve cross-border disputes and through the activity of a Union-wide on-line dispute resolution system, **and by the percentage of consumers taking action in response to a problem encountered.**

Justification

Provision should be made for the possibility of developing consumer rights and not just consolidating the acquis. The percentage of consumers making use of means of redress (be this with the retailer, company, ADR or court) is an indicator of their confidence in such systems and thus of the effectiveness of the latter.

Amendment 24

Proposal for a regulation

Article 3 – paragraph 1 – point d – paragraph 2

Text proposed by the Commission

This objective will be measured in particular through the level of information flow and cooperation within the Consumer Protection Cooperation Network and the activity of the European Consumer Centres.

Amendment

This objective will be measured in particular through the level of information flow and **the effectiveness of** cooperation within the Consumer Protection Cooperation Network and the activity of the European Consumer Centres, **how well known they are to consumers and how satisfied consumers are with the assistance they received during the most recent dispute resolution procedure.**

Justification

In view of the age of the CPC Network, qualitative information should be added to make the criteria more precise. It is also proposed that the network's efficiency be measured, in addition to the flow of information. Furthermore, the assessment of European consumer centres has revealed how few people in Europe are aware of them (15%). It will therefore be necessary to take into account changes in how well known they are and how their public

profile changes. Consistency with Annex II as amended.

Amendment 25

Proposal for a regulation

Article 3 – paragraph 1 – subparagraph 1 a (new)

Text proposed by the Commission

Amendment

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

Justification

The Commission should attempt to increase the profile of informed consumer participation across the board, since the ultimate goal of the programme is to place a consumer at the centre of the Single Market.

Amendment 26

Proposal for a regulation

Article 3 – paragraph 3

Text proposed by the Commission

Amendment

The Commission shall be empowered to adopt delegated acts in accordance with Article 15 to adapt the indicators set out in Annex II.

The Commission shall be empowered to adopt delegated acts in accordance with Article 15 to adapt the indicators set out in Annex II ***or to establish new ones.***

Amendment 27

Proposal for a regulation

Article 4 – paragraph 1 – point a – point 3 a (new)

Text proposed by the Commission

Amendment

(3a) Improvement of product traceability and enhancing access to information concerning dangerous products;

Amendment 28

Proposal for a regulation

Article 4 – paragraph 1 – point b – point 4

Text proposed by the Commission

Amendment

(4) building the evidence base for policy-making in areas affecting consumers;

(4) Building ***and improving access to*** the evidence base for policy-making in areas affecting consumers, ***for designing smart and targeted regulations and for detecting any market malfunctioning or changes in consumers' needs;***

Justification

To improve this database's potential it should be made possible for all stakeholders to access it easily. For reasons of effectiveness, the database must also be intended for use in drafting new legislation and identifying any market malfunctions or new consumer needs.

Amendment 29

Proposal for a regulation

Article 4 – paragraph 1 - point b – introductory part

Text proposed by the Commission

Amendment

(b) under objective 2 – information and education:

(b) under objective 2 – ***consumer*** information and education, ***and support to consumer organisations:***

Justification

The importance of support for consumer organisations is such that it forms an objective in itself. The distinction between this objective and the consumer information and education objectives must therefore be made clear here.

Amendment 30

Proposal for a regulation

Article 4 – paragraph 1 – point b – point 5

Text proposed by the Commission

Amendment

(5) support to consumer organisations;

(5) support ***through financing of European*** consumer organisations ***and through capacity building for consumer organisations at Union, national and regional level, increasing transparency and stepping up exchanges of best practice and expertise, consumer research and consumer information;***

Amendment 31

Proposal for a regulation

Article 4 – paragraph 1 – point b – point 6

Text proposed by the Commission

Amendment

(6) enhancing the transparency of ***consumer markets*** and consumer information;

(6) enhancing the transparency of ***the internal market*** and consumer information, ***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;***

Amendment 32

Proposal for a regulation

Article 4 – paragraph 1 - point b – point 7

Text proposed by the Commission

Amendment

(7) enhancing consumer education;

(7) enhancing consumer ***and business*** education ***as a life-long process, with a particular focus on vulnerable consumers;***

Justification

Given the growing level of complexity of the decisions that consumers have to make and the changes in society and the consumer's environment (ageing population, economic insecurity, the development of digital tools, etc.), consumer education should be seen as a life-long process.

Amendment 33

Proposal for a regulation

Article 4 – paragraph 1 - point c – point 8

Text proposed by the Commission

(8) preparation by the Commission of consumer protection legislation and other regulatory initiatives, monitoring the transposition by Member States and the subsequent evaluation of its impact, and the promotion of co-regulatory and self-regulatory initiatives;

Amendment

(8) preparation by the Commission of consumer protection legislation and other regulatory initiatives, monitoring the transposition by Member States and the subsequent evaluation of its impact, and the promotion of co-regulatory and self-regulatory initiatives ***and monitoring the real impact of those initiatives on consumer markets;***

Justification

Co-regulatory and self-regulatory initiatives are of interest, but it must be remembered that 'soft law' initiatives cannot replace the legislator. Systematic monitoring is necessary therefore so that legislative acts can be adopted if these do not have enough of an impact on the markets.

Amendment 34

Proposal for a regulation

Article 4 – paragraph 1 – point c – point 8 a (new)

Text proposed by the Commission

Amendment

(8a) support the development of alternative dispute resolution ('ADR') entities as well as the creation of an electronic, Union-wide platform which offers consumers and traders a single point of entry for the out-of-court resolution of online disputes, supported by the availability of quality ADR entities across the Union;

Amendment 35

Proposal for a regulation
Article 4 – paragraph 1 – point c – point 9

Text proposed by the Commission

(9) facilitating access to and monitoring of the functioning and the effectiveness of dispute resolution mechanisms for consumers, in particular of alternative dispute resolution schemes, including on-line, also through the development and maintenance of relevant IT tools;

Amendment

(9) facilitating access to ***individual and, where appropriate, collective*** dispute resolution mechanisms for consumers, in particular of alternative dispute resolution schemes, including on-line, ***paying specific attention to adequate measures for vulnerable consumers' needs and rights***;

Amendment 36

Proposal for a regulation
Article 4 – paragraph 1 - point c – point 9 a (new)

Text proposed by the Commission

Amendment

(9a) monitoring of the functioning and the effectiveness of dispute resolution mechanisms for consumers, also through the development and maintenance of relevant IT tools and the exchange of existing best practice and experience in the Member States;

Justification

Given their great diversity across the EU, ADR bodies would become more effective by exchanging best practice and experience.

Amendment 37

Proposal for a regulation
Article 4 – paragraph 1 - point d – point 11

Text proposed by the Commission

(11) financial contributions for joint actions with public or non-profit bodies constituting Union networks which provide information and assistance to consumers to

Amendment

(11) financial contributions for joint actions ***and signature of partnership agreements*** with public or non-profit bodies constituting Union networks which

help them exercise their rights and obtain access to appropriate dispute resolution, including out of court online resolution schemes (the European Consumer Centres Network).

provide information and assistance to consumers to help them exercise their rights and obtain access to appropriate dispute resolution, including out of court online resolution schemes (the European Consumer Centres Network).

Justification

The evaluation of the European Consumers Centres has revealed a demand for the introduction of more stable financing schemes, such as partnership agreements, to ensure their effectiveness.

Amendment 38

Proposal for a regulation Article 4 – paragraph 2

Text proposed by the Commission

A more detailed description of the content that those actions may have is included in Annex I.

Amendment

A more detailed description of the content that those actions may have is included in Annex I. ***The Commission shall be empowered to adopt delegated acts, in accordance with Article 15, in order to complete the list set out in Annex I with additional actions of similar type and impact pursuing the specific objectives mentioned in Article 3.***

Justification

A decision on completing the list of actions set out in Annex I with similar actions should take the form of a delegated act, in accordance with Article 290 TFEU.

Amendment 39

Proposal for a regulation Article 5 – paragraph 1 – point b

Text proposed by the Commission

(b) they are mandated to represent the interests of consumers at Union level by organisations ***in at least half of the***

Amendment

(b) they are mandated to represent the interests of consumers at Union level by organisations that are representative, in

Member States that are representative, in accordance with national rules or practice, of consumers, and that are active at regional or national level.

accordance with national rules or practice, of consumers, and that are active at **local**, regional or national level.

Justification

Some territories, particularly cross-border areas, have specific characteristics and it is therefore necessary to support consumer organisations that are active in these regions.

Amendment 40

Proposal for a regulation
Article 5 – paragraph 2 – point a

Text proposed by the Commission

Amendment

(a) they are non-governmental, non-profit-making, independent of industry, commercial and business or other conflicting interests, and have as their primary objectives and activities the promotion and protection of the health, safety, economic and legal interests of consumers in the Union;

(Does not concern English version)

Justification

The same criteria on independence as applied to European NGOs and organisations should be introduced for international NGOs and organisations that promote principles and policies contributing to the achievement of the programme's objectives.

Amendment 41

Proposal for a regulation
Article 5 – paragraph 7

Text proposed by the Commission

Amendment

7. Grants for action may be awarded to a public body or a non-profit-making body selected through a transparent procedure and designated by a Member State or a third country referred to in Article 7 of this Regulation. The designated body shall be

7. Grants for action may be awarded to a public body or a non-profit-making body selected through a transparent procedure and designated by a Member State or a third country referred to in Article 7 of this Regulation, **and partnership agreements**

part of *an* Union network which provides information and assistance to consumers to help them exercise their rights and obtain access to appropriate dispute resolution (the European Consumer Centres Network).

may be concluded with those bodies. The designated body shall be part of *a* Union network which provides information and assistance to consumers to help them exercise their rights and obtain access to appropriate dispute resolution (the European Consumer Centres Network).

Justification

The evaluation of the European Consumers Centres has revealed a demand for the introduction of more stable financing schemes, such as partnership agreements, to ensure their effectiveness.

Amendment 42

Proposal for a regulation Article 5 – paragraph 8

Text proposed by the Commission

8. Grants for action may be awarded to complaint handling bodies established and operating in the Union and in countries of the European Free Trade *Associations* participating in the European Economic Area, which are responsible for collecting consumer complaints, or attempting to resolve complaints, or giving advice, or providing information to consumers about complaints or enquiries, and which are a third party to a complaint or enquiry by a consumer about a trader. ***They do not include consumer complaint handling mechanisms operated by traders and dealing with enquiries and complaints directly with the consumer or mechanisms providing complaint handling services operated by or on behalf of a trader.***

Amendment

8. Grants for action may be awarded to complaint handling bodies established and operating in the ***Member States of the*** Union and in countries of the European Free Trade *Association* participating in the European Economic Area, which are responsible for collecting consumer complaints, or attempting to resolve complaints, or giving advice, or providing information to consumers about complaints or enquiries, and which are a third party to a complaint or enquiry by a consumer about a trader.

Justification

Given their great diversity across the EU, ADR bodies would become more effective by exchanging best practice and experience.

Amendment 43

Proposal for a regulation Article 6

Text proposed by the Commission

Amendment

Financial framework

The financial envelope for the implementation of the Programme shall be **EUR 197,000,000** in current prices.

Budget

The financial envelope for the implementation of the Programme, ***within the meaning of point [17] of the Interinstitutional Agreement of XX/201Y between the European Parliament, the Council and the Commission on cooperation in budgetary matters and sound financial management¹***, shall be [...] in current prices. ***The annual appropriation shall be authorised by the budgetary authority.***

¹ ***OJ...***

Justification

As indicated in the legislative resolution, the overall financial envelope should be increased by 5%, which is in line with the EP resolution of 8 June 2011 on investing in the future: a new Multiannual Financial Framework (MFF) for a competitive, sustainable and inclusive Europe (SURE report). However, the financial envelope should be considered as indicative and only finalised once an agreement is reached on the MFF.

Amendment 44

Proposal for a regulation Article 6 – paragraph 1 a (new)

Text proposed by the Commission

Amendment

1a. The indicative distribution of funds between the specific objectives listed in Article 3 is set out in Annex IIa.

Justification

It is important for the co-legislators to give political guidance regarding the breakdown of spending among the specific objectives listed in Article 3.

Amendment 45

Proposal for a regulation Article 9

Text proposed by the Commission

The financial allocation for the Programme may also cover expenses pertaining to preparatory, monitoring, control, audit and evaluation activities which are required for the management of the programme and the achievement of its objectives; ***in particular, studies, meetings of experts, information and communication actions, including corporate communication of the political priorities of the Union as far as they are related to the general objectives of this Regulation, expenses linked to IT networks focusing on information processing and exchange***, together with all other technical and administrative assistance expenses incurred by the Commission for the management of the Programme.

Amendment

1. The financial allocation for the Programme may also cover expenses pertaining to preparatory, monitoring, control, audit and evaluation activities which are required for the management of the programme and the achievement of its objectives, together with all other technical and administrative assistance expenses incurred by the Commission for the management of the Programme.

Amendment 46

Proposal for a regulation Article 9 – paragraph 1 a (new)

Text proposed by the Commission

Amendment

1a. ***The total amount allocated to cover the expenses pertaining to preparatory, monitoring, control, audit and evaluation activities and for technical and administrative assistance referred to in paragraph 1 shall not exceed 10,5% of the financial envelope allocated to the programme.***

Justification

A ceiling should be placed on the proportion of funding for the programme that may cover expenses pertaining to preparatory, monitoring, control, audit and evaluation activities and for technical and administrative assistance. This ceiling would make it possible to focus on funding aimed at specific actions to achieve the objectives of the programme rather than on administrative or technical assistance.

Amendment 47

Proposal for a regulation Article 10

Text proposed by the Commission

The Commission shall implement the Programme by means of the management modes referred to in Article 53 of Regulation (EC, Euratom) No 1605/2002.

Amendment

The Commission shall implement the Programme by means of the management modes referred to in Article 53 of Regulation (EC, Euratom) No 1605/2002 **or its modified version under Regulation (EU) No XXX/201Y¹.**

¹ COM(2010)0815.

Amendment 48

Proposal for a regulation Article 12 – subparagraph 1 - introductory part

Text proposed by the Commission

The Commission ***shall implement the Programme by adopting*** annual work programmes ***in the form of implementing acts*** setting out the elements provided for in Regulation (EC, Euratom) No 1605/2002 and in particular:

Amendment

The Commission ***shall be empowered to adopt delegated acts in accordance with Article 15 in order to adopt*** annual work programmes setting out the elements provided for in Regulation (EC, Euratom) No 1605/2002 and in particular:

Justification

As the adoption of annual work programmes involves policy choices aimed at specifying and then supplementing the priorities and actions, including the allocation of financial resources, which are established in the basic legislative act, this requires a delegation of power to the Commission pursuant to Article 290 TFEU.

Amendment 49

Proposal for a regulation

Article 12 - paragraph 1 - points (a) to (e)

Text proposed by the Commission

- (a) the implementation priorities and the actions to be undertaken, including the allocation of financial resources;
- (b) the essential selection and award criteria to be used to select the proposals receiving financial contributions;
- (c) the time schedule of the planned calls for tenders and calls for proposals;
- (d) *where appropriate*, the authorisation to use lump sums, standard scales of unit costs or flat-rate financing in line with Regulation (EC, Euratom) No 1605/2002;
- (e) the criteria for assessing whether or not exceptional utility applies.

Amendment

- (a) the implementation priorities and the actions to be undertaken, including the ***indicative*** allocation of financial resources;
- (b) the essential selection and award criteria to be used to select the proposals receiving financial contributions;
- (c) the time schedule of the planned calls for tenders and calls for proposals;
- (d) ***whenever possible***, the authorisation to use ***partnership agreements*** lump sums, standard scales of unit costs or flat-rate financing in line with Regulation (EC, Euratom) No 1605/2002 ***as revised by Regulation (EU) No XXX/201Y***;
- (e) the criteria for assessing whether or not exceptional utility applies.

¹ *OJ L 55, 28.2.2011, p. 13.*

Amendment 50

Proposal for a regulation

Article 12 – paragraph 2

Text proposed by the Commission

Those implementing acts shall be adopted in accordance with the advisory procedure referred to in Article 16.

Amendment

deleted

Justification

As the adoption of annual work programmes involves policy choices aimed at specifying and then supplementing the priorities and actions, including the allocation of financial resources, which are established in the basic legislative act, this requires a delegation of power to the

Commission pursuant to Article 290 TFEU.

Amendment 51

Proposal for a regulation

Article 13 – paragraph 2 – subparagraph 2 a (new)

Text proposed by the Commission

Amendment

The Commission shall communicate the results of those evaluations, accompanied by its comments, to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions. The results of those evaluations shall, where appropriate, be accompanied by proposals for modifications of the Programme.

Justification

Article 9(2) second subparagraph of Decision No 1926/2006/EC establishing a programme of Community action in the field of consumer policy (2007-2013) should be reproduced here.

Amendment 52

Proposal for a regulation

Article 15 – paragraph 2

Text proposed by the Commission

Amendment

2. The ***delegation of*** power referred to in ***Article 3*** shall be conferred on the Commission for the period of the Programme 2014-2020.

2. The power ***to adopt delegated acts*** referred to in ***Articles 3, 4 and 12 and in Annex IIa*** shall be conferred on the Commission for the period of the Programme 2014-2020.

Justification

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, as laid down in the basic legislative act, for which power needs to be delegated to the Commission in accordance with Article 290 TFEU. In addition, adding similar actions to the list of actions in Annex I should be done through a decision in the form of a delegated act, in

accordance with Article 290 TFEU.

Amendment 53

Proposal for a regulation Article 15 – paragraph 3

Text proposed by the Commission

3. The delegation of power referred to in **Article 3** may be revoked at any time by the European Parliament or by the Council. A decision of revocation shall put an end to the delegation of the power specified in that decision. It shall take effect on the day following publication of the decision in the Official Journal of the European Union or at a later date specified therein. It shall not affect the validity of any delegated acts already in force.

Amendment

3. The delegation of power referred to in **Articles 3, 4 and 12 and in Annex IIa**, may be revoked at any time by the European Parliament or by the Council. A decision of revocation shall put an end to the delegation of the power specified in that decision. It shall take effect the day following publication of the decision in the Official Journal of the European Union or at a later date specified therein. It shall not affect the validity of any delegated acts already in force.

Justification

See the justification for the amendment to Article 15(2).

Amendment 54

Proposal for a regulation Article 15 – paragraph 5

Text proposed by the Commission

5. A delegated act adopted pursuant to **Article 3** shall enter into force only if no objection has been expressed either by the European Parliament or by the Council within a period of two months of notification of that act to the European Parliament and the Council or if, before the expiry of that period, the European Parliament and the Council have both informed the Commission that they will not object. That period shall be extended by two months at the initiative of the

Amendment

5. A delegated act adopted pursuant to **Articles 3, 4 or 12 and Annex IIa**, shall enter into force only if no objection has been expressed either by the European Parliament or the Council within a period of 2 months of notification of that act to the European Parliament and the Council or if, before the expiry of that period, the European Parliament and the Council have both informed the Commission that they will not object. That period shall be extended by two months at the initiative of

European Parliament or the Council.

the European Parliament or the Council.

Justification

See the justification for the amendment to Article 15(2).

Amendment 55

**Proposal for a regulation
Article 16**

Text proposed by the Commission

Amendment

Article 16

deleted

Committee procedure

1. The Commission shall be assisted by a committee within the meaning of Regulation (EU) No 182/2011.

2. Where reference is made to this paragraph, Article 4 of Regulation (EU) No 182/2011 shall apply.

Amendment 56

**Proposal for a regulation
Annex I – Objective I – paragraph 2 – point a**

Text proposed by the Commission

Amendment

(a) development and maintenance of IT tools (e.g. databases, information and communication systems);

(a) development, **modernisation** and maintenance of IT tools (e.g. databases, information and communication systems) **in particular so that the efficiency of existing systems can be improved by increasing the potential for data export, statistical sorting and extraction, and facilitating the electronic exchange and use of data between Member States;**

Justification

Several problems with data processing have been encountered, for which reason current tools

need to be updated. A further point is that data is not being exchanged and circulated sufficiently between Member States; one example of this is data on tests on imported products. IT tools need to be developed, therefore, to gather this information and avoid duplicating tests and unnecessary costs for the authorities concerned.

Amendment 57

Proposal for a regulation

Annex I – Objective I – paragraph 2 – point c

Text proposed by the Commission

Amendment

(c) exchanges of enforcement officials and training;

(c) exchanges of enforcement officials and training ***focusing in particular on high-risk sectors***;

Justification

According to the 2010 Rapex activity report, a large number of product notifications on grounds of non-compliance with EU legislation concerned specific sectors (including textiles - 32% and toys - 25%).

Amendment 58

Proposal for a regulation

Annex I – Objective I – paragraph 2 – point f

Text proposed by the Commission

Amendment

(f) administrative ***and*** enforcement cooperation with third countries other than the ones falling under Article 7;

(f) administrative, enforcement ***and product traceability*** cooperation, ***plus development of preventive actions***, with third countries other than the ones falling under Article 7, ***and in particular with those third countries which are the source of the majority of products notified in the Union for non-conformity with Union legislation***;

Justification

RAPEX's 2010 Annual Report states that the majority of the notifications for non-compliance with EU legislation are for products from certain specific countries, e.g. China (58 % of notifications in 2010). This report also states that in the case of 16 % of notified products from China their origin could not be established; cooperation on traceability should be

encouraged therefore.

Amendment 59

Proposal for a regulation Annex I – Objective II – title

Text proposed by the Commission

Amendment

Objective II – Information and education: to improve consumers' education, information and awareness of their rights, to develop the evidence base for consumer policy and to provide support to consumer organisations

Objective II – **Consumer** information and education, **and support for consumer organisations**: to improve consumers' education, information and awareness of their rights, to develop the evidence base for consumer policy and to provide support to consumer organisations

Justification

Support for consumer organisations is important and therefore a separate objective. The distinction between this objective and the consumer information and education objectives must therefore be made clear here.

Amendment 60

Proposal for a regulation Annex I – Objective II – paragraph 4 – introductory part

Text proposed by the Commission

Amendment

4. Building the evidence base for policy-making in areas affecting consumers

4. Building **and improving access to** the evidence base for policy-making in areas affecting consumers, **for designing smart and targeted regulations and for detecting any market malfunctioning or changes in consumers' needs**

Justification

To bring this heading into line with the new wording for Article 4(b)(4).

Amendment 61

Proposal for a regulation

Annex I – Objective II – paragraph 4 – point a

Text proposed by the Commission

(a) Union-wide studies and analysis on consumers and consumer markets;

Amendment

(a) Union-wide studies and analysis on consumers and consumer markets ***in order to design smart and targeted regulations, to detect any market malfunctioning or changes in consumers' needs;***

Justification

For reasons of efficiency it must be ensured that the evidence base will be used in preparing new laws and detecting possible market malfunctioning or new consumer needs.

Amendment 62

Proposal for a regulation

Annex I – Objective II – paragraph 4 – point b

Text proposed by the Commission

(b) development and maintenance of databases;

Amendment

(b) development and maintenance of databases, ***in particular to make the data collected available to stakeholders (for instance consumer organisations, national authorities and researchers);***

Justification

To improve this evidence base's potential it should be made possible for all stakeholders (consumer organisations, national authorities, researchers, even the general public, etc.) to access it easily.

Amendment 63

Proposal for a regulation

Annex I – Objective II - paragraph 5 – introductory part

Text proposed by the Commission

5. Support *to* consumer organisations

Amendment

5. Support ***through financing of European*** consumer organisations ***and***

through capacity building for consumer organisations at Union, national and regional level, increasing transparency and stepping up exchanges of best practice and expertise, consumer research and consumer information

Justification

To bring this heading into line with the new wording for Article 4(b)(5).

Amendment 64

Proposal for a regulation

Annex I – Objective II - paragraph 5 – point b

Text proposed by the Commission

(b) capacity building for regional, national and European consumer organisations, notably through training and exchange of best practice and expertise for staff members, in particular for consumer organisations in Member States which demonstrate a relatively low level of consumer confidence and awareness as evidenced by monitoring of consumer markets and the consumer environment in the Member States;

Amendment

(b) capacity building for **local**, regional, national and European consumer organisations, notably through training **available in various languages and throughout the Union** and exchange of best practice and expertise for staff members, in particular for consumer organisations in Member States **where they are not sufficiently developed or** which demonstrate a relatively low level of consumer confidence and awareness as evidenced by monitoring of consumer markets and the consumer environment in the Member States;

Justification

The programme should stress strengthening consumer protection in those Member States where consumer organisations have not been sufficiently well developed. In addition, evaluation of TRACE has brought to light the need for a greater spread of languages and training sites so that as many organisations as possible may benefit.

Amendment 65

Proposal for a regulation

Annex I – Objective II – paragraph 5 – point b a (new)

Text proposed by the Commission

Amendment

(ba) greater transparency and more exchanges of good practice and expertise, in particular through the setting up of an online portal for consumer organisations to provide an interactive exchange and networking area and make materials produced during training courses freely available;

Justification

Evaluation of TRACE has shown the need for an online portal to be set up which can be accessed by all consumer organisations - and particularly those unable to travel and/or which have scant resources - to enable the latter to benefit from all the materials available and to exchange good practices and share experience. With a tool like this, the number of people receiving this training would rise, as would their efficiency.

Amendment 66

Proposal for a regulation

Annex I – Objective II - paragraph 6 – introductory part

Text proposed by the Commission

Amendment

6. Enhancing the transparency of ***consumer markets*** and consumer information

6. Enhancing the transparency of ***the internal market*** and consumer information, ***providing consumers with comparable, reliable and easily accessible data, including for cross-border cases, to help them compare not only prices, but also the quality and sustainability of goods and services***

Justification

Brings the text into line with the new wording for Article 4(b)(6).

Amendment 67

Proposal for a regulation

Annex I – Objective II – paragraph 6 – point c

Text proposed by the Commission

(c) actions increasing consumers' access to relevant information on products and markets;

Amendment

(c) actions increasing consumers' access to relevant ***comparable, reliable and easily accessible*** information on products and markets, ***particularly on prices, quality and sustainability of goods and services, whether this be offline or online, including through the development and monitoring of a certification label for price comparison websites utilising a harmonised methodology for price comparisons, including for cross-border purchases;***

Justification

Reliable comparison websites enable consumers to be more independent, better informed and to compare data, including for cross-border cases.

Amendment 68

Proposal for a regulation

Annex I – Objective II – paragraph 6 – point g

Text proposed by the Commission

(g) support to Union-wide bodies for the development of codes of conduct/best practices/guidelines for price/quality/sustainability comparison;

Amendment

(g) support to Union-wide bodies for the development of ***price comparison websites***, codes of conduct/best practices ***or*** guidelines for price/quality/sustainability comparison;

Justification

Reliable comparison websites make consumers more independent, better informed and allow them to compare data, including for cross-border cases.

Amendment 69

Proposal for a regulation
Annex I – Objective II – paragraph 6 – point h

Text proposed by the Commission

Amendment

(h) support for communication on consumer issues, including ***through support to the media to drive consumer empowerment and enforcement.***

(h) support for communication on consumer issues, including ***by encouraging, particularly through training programmes, the media to provide correct and relevant information, raise awareness and empower consumers;***

Amendment 70

Proposal for a regulation
Annex I – Objective II - paragraph 7 – introductory part

Text proposed by the Commission

Amendment

7. Enhancing consumer education

7. Enhancing consumer ***and business*** education ***as a life-long process, with a particular focus on vulnerable consumers***

Justification

To bring the text into line with the new wording for Article 4(b)(7).

Amendment 71

Proposal for a regulation
Annex I – Objective II – paragraph 7 – point a

Text proposed by the Commission

Amendment

(a) development of an interactive platform for exchange of best practices and ***consumer education materials directed to key target groups in particular young consumers, in synergy with the European financing programme in education and training;***

(a) development of an interactive platform for exchange of best practices and materials ***for life-long consumer education with a particular focus on vulnerable consumers that have difficulties in accessing and comprehending consumer information, in order to ensure that they are not misled;***

Justification

With choices for consumers are becoming increasingly complex and the development of the

digital environment, actions to educate them need to continue throughout their lifetime irrespective of their age or situation.

Amendment 72

Proposal for a regulation

Annex I – Objective II – paragraph 7 – point b

Text proposed by the Commission

(b) development of education *measures and* materials on e.g. consumer rights including cross-border issues, health and safety, Union consumer legislation, sustainable consumption, financial literacy.

Amendment

(b) development of education materials *in collaboration with stakeholders (for instance consumer organisations, national authorities and those active at grass-roots level) in particular by making use (for instance collection, compilation, translation and diffusion) of materials produced for previous initiatives, such as Dolceta, on various media including digital, which are likely to be of value to all categories of the population; materials* on e.g. consumer rights including cross-border issues, health and safety, Union consumer legislation, *the meaning of the Union's logos*, sustainable consumption, *forms of ethical consumption and* financial literacy .

Justification

The effectiveness of this programme's education actions need to be improved by concentrating on the collection, translation, reworking and dissemination of materials developed for existing initiatives in the Member States and on the ground. Furthermore, since EU citizens seem ignorant of the EU logos (EC conformity marking logo, European eco-label, Mobius loop for recycling, hazard marking, etc.) (see Empowerment survey), specific actions are needed in this respect.

Amendment 73

Proposal for a regulation

Annex I – Objective III – title

Text proposed by the Commission

Rights and redress: to *consolidate*

Amendment

Rights and redress: to *develop and*

consumer rights in particular through regulatory action and improving access to redress including alternative dispute resolution

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 including alternative dispute resolution

Justification

Brings the text into line with the new wording for Article 3(1)(c).

Amendment 74

Proposal for a regulation

Annex I – Objective III – paragraph 8 – introductory part

Text proposed by the Commission

Amendment

8. Preparation, transposition assessment, monitoring, evaluation, implementation and enforcement by Member States of consumer protection legislative and other regulatory initiatives and the promotion of co-regulatory and self-regulatory initiatives, including

8. Preparation, transposition assessment, monitoring, evaluation, implementation and enforcement by Member States of consumer protection legislative and other regulatory initiatives, promotion of co-regulatory and self-regulatory initiatives, **and monitoring the real impact of these initiatives on consumer markets**, including

Justification

Co-regulatory and self-regulatory initiatives are interesting, but it must be remembered that ‘soft law’ initiatives cannot replace the legislator. Systematic monitoring is necessary therefore so legislative acts can be adopted if the former do not have enough of an impact on the markets.

Amendment 75

Proposal for a regulation

Annex I - Objective III - point 8

Text proposed by the Commission

Amendment

(c) studies, ex ante and ex-post evaluations, impact assessments, public consultations, evaluation of existing legislation;

(a) studies **and smart regulation activities such as** ex ante and ex-post evaluations, impact assessments, public consultations, evaluation **and simplification** of existing

- (d) seminars, conferences, workshops and meetings of stakeholders and experts;
- (e) development and maintenance of easily and publicly accessible databases covering the implementation of Union legislation on consumer protection;
- (f) evaluation of actions undertaken under the Programme.

legislation;

- (b) seminars, conferences, workshops and meetings of stakeholders and experts;
- (c) development and maintenance of easily and publicly accessible databases covering the implementation of Union legislation on consumer protection;
- (ca) the promotion of action that benefits consumer protection in order to reduce the administrative burdens on SMEs;**
- (d) evaluation of actions undertaken under the Programme.

Amendment 76

Proposal for a regulation

Annex I – Objective III - paragraph 9 – introductory part

Text proposed by the Commission

9. Facilitating access to and monitoring of the functioning and effectiveness of dispute resolution mechanisms for consumers, in particular of alternative dispute resolution schemes, including on-line, also through the development and maintenance of relevant IT tools

Amendment

9. Facilitating access to **individual and, where appropriate, collective** dispute resolution mechanisms for consumers, in particular of alternative dispute resolution schemes, including on-line, **paying specific attention to adequate measures for vulnerable consumers' needs and rights; monitoring of the functioning and the effectiveness of dispute resolution mechanisms for consumers**, also through the development and maintenance of relevant IT tools **and the exchange of existing best practice and experience in the Member States**

Justification

Brings the text into line with the new wording for Article 4(c)(9) and (9a).

Amendment 77

Proposal for a regulation

Annex I – Objective III – paragraph 9 – point b a (new)

Text proposed by the Commission

Amendment

(ba) grant for the action and support for networking national bodies handling complaints, and for their exchanging and disseminating good practice and experiences;

Justification

Exchanging good practice and experience would make the bodies involved in out-of-court settlement of consumer disputes more effective, because across the Union they differ greatly. This is not a case of giving these bodies a direct subsidy but rather of encouraging and supporting them in their exchange of experience and good practices.

Amendment 78

Proposal for a regulation

Annex I – Objective III – paragraph 9 – point b b (new)

Text proposed by the Commission

Amendment

(bb) development of specific tools to facilitate access to redress for vulnerable people, who are less inclined to seek redress.

Justification

It has been proven that elderly people and/or those less well educated are less inclined to seek redress (see European Commission impact study), hence specific actions in this respect are needed.

Amendment 79

Proposal for a regulation

Annex I - Objective IV - paragraph 10 - point d

Text proposed by the Commission

(d) administrative and enforcement cooperation with third countries which are not participating in the Programme.

Amendment

(d) administrative and enforcement cooperation with third countries which are not participating in the Programme **and with international organisations.**

Amendment 80

Proposal for a regulation

Annex I – Objective IV – paragraph 11

Text proposed by the Commission

11. Financial contributions for joint actions with public or non-profit bodies constituting Community networks which provide information and assistance to consumers to help them exercise their rights and obtain access to appropriate dispute resolution, including out of court online resolution schemes (the European Consumer Centres Network), including

the development and maintenance of IT tools (e.g. databases, information and communication systems) necessary for the proper functioning of the European Consumer Centres Network.

Amendment

11. Financial contributions for joint actions **and the signing of partnership agreements** with public or non-profit bodies constituting Community networks which provide information and assistance to consumers to help them exercise their rights and obtain access to appropriate dispute resolution, including out of court online resolution schemes (the European Consumer Centres Network), including:

a) the development and maintenance of IT tools (e.g. databases, information and communication systems) necessary for the proper functioning of the European Consumer Centres Network;

b) actions to raise the profile and visibility of European Consumer Centres.

Justification

Evaluation of the European Consumer Centres revealed that not many EU citizens (only 15 %) knew of their existence. Actions to raise their profile and visibility are needed therefore.

Amendment 81

Proposal for a regulation
Annex I – Objective IV – point 11 a (new)

Text proposed by the Commission

Amendment

11a. Financial support for the co-ordination and networking of consumer organisations to undertake joint action against unfair business practices with a Union dimension.

Amendment 82

Proposal for a regulation
Annex I – subparagraph 5

Text proposed by the Commission

Amendment

This list might be completed with additional actions of similar type and impact pursuing the specific objectives mentioned in Article 3.

deleted

Justification

Similar actions should be added to the list of actions in Annex I through a decision in the form of a delegated act, in accordance with Article 290 TFEU. The provision stipulating delegation of this kind must be included in the enacting terms of the legal act; see Article 4, final words.

Amendment 83

Proposal for a regulation
Annex II – Objective 2 – title

Text proposed by the Commission

Amendment

Information and education: to improve consumers' education, information and awareness of their rights, to develop the evidence base for consumer policy and to provide support to consumer organisations

Consumer information and education, and support for consumer organisations: to improve consumers' education, information and awareness of their rights, to develop the evidence base for consumer policy and to provide support to consumer organisations

Justification

Support for consumer organisations is important and therefore a separate objective. The distinction between this objective and the consumer information and education objectives must therefore be made clear here.

Amendment 84

Proposal for a regulation

Annex II - Objective 2 – table - columns 1 - 4 - row 1 a (new)

Text proposed by the Commission

		<i>Amendment</i>	
<i>Number of Unique visitors</i>	<i>Consumer Pages on Your Europe Online Portal (http://europa.eu/youreurope/citizens/shopping/index_en.htm)</i>	<i>n/a</i>	<i>500 % increase in 7 years</i>

Justification

As a Single Online Point of contact on business and citizens rights, the Your Europe Portal needs to significantly increase its visibility among consumers.

Amendment 85

Proposal for a regulation

Annex II – Objective 3 – title

Text proposed by the Commission

Amendment

Objective 3: Rights and redress: to **consolidate** consumer rights in particular through regulatory action and improving access to redress including alternative dispute resolution

Objective 3: Rights and redress: 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 including alternative dispute resolution

Justification

To bring this heading into line with the new wording for Article 3(1)(c).

Amendment 86

Proposal for a regulation
Annex II - objective 3 – table - column 4

<i>Text proposed by the Commission</i>	<i>Amendment</i>
Target	Target
50 % in 7 years	75 % in 7 years
38.500 (+120 %) in 7 years	200.000 (+1140 %) in 7 years

Amendment 87

Proposal for a regulation
Annex II – Objective 3 – table – columns 1 - 4 – row 2 a (new)

Text proposed by the Commission

		<i>Amendment</i>	
% of consumers who took action in response to a problem encountered in the past 12 months:	Empowerment survey	77 % in 2010 (EU 27), of which:	90 % in 2020 (EU 27)
- complaint made to the retailer/provider		- 65 %	
- complaint made to the manufacturer		- 13 %	
- complaint made to an out-of-court dispute settlement body		- 5 %	
- business concerned taken to Court		- 2 %	

Justification

The percentage of consumers seeking redress (whether from the retailer/provider, the manufacturer, through an ADR or in court) may be an indicator of how much confidence they place in these systems and hence of their effectiveness.

Amendment 88

Proposal for a regulation

Annex II – Objective 4 – table – column 1 – row 2 – paragraph 1 a (new)

Text proposed by the Commission

Amendment

Effectiveness of cooperation within the CPC Network:

- Number of files processed (via the network's computing base)***
- Number of files finalised or resolved (i.e. resulting in the trader being given formal notice of legal requirements)***
- Number of cases referred to legal authorities***
- Number of judgments***

Justification

In view of the age of the CPC Network, qualitative information should be added to make the criteria more precise. It is also proposed that the network's efficiency be measured, in addition to the flow of information.

Amendment 89

Proposal for a regulation

Annex II – Objective 4 – table – columns 1 - 4 – row 2 a (new)

Text proposed by the Commission

Amendment

<i>Consumer satisfaction with assistance received in settling most recent dispute</i>	<i>Empowerment survey</i>	<i>50 % in 2010</i>	<i>75 % in 2020</i>
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Justification

Consumer satisfaction is an important factor in consumers' trust and use of dispute settlement mechanisms. With this indicator the efficiency of these mechanisms can therefore be measured.

Amendment 90

Proposal for a regulation

Annex II – Objective 4 – table – columns 1, 2, 3 and 4 – row 2 b (new)

Text proposed by the Commission

Amendment

<i>Visibility rate of European Consumer Centres (ECC)</i>	<i>ECC-Net Evaluation Report</i>	<i>15 %</i>	<i>25 % in 2020</i>
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Justification

Evaluation of the European Consumer Centres revealed that not many EU citizens (only 15 %) knew of their existence. Actions to raise their profile and visibility are needed therefore.

Amendment 91

Proposal for a regulation Annex II a (new) – title

Text proposed by the Commission

Amendment

ANNEX IIa

***Indicative distribution of funds between
the specific objectives listed in Article 3***

Amendment 92

Proposal for a regulation Annex II a (new)

Text proposed by the Commission

Amendment

<i>Specific objectives</i>	<i>Indicative breakdown of the operational budget in %</i>
<i>Specific objective No 1 - Safety</i>	<i>25 %</i>
<i>Specific objective No 2 - Information and education for consumers; support for consumer organisations</i>	<i>34 %</i>
<i>Specific objective No 3 - Rights and redress</i>	<i>10 %</i>
<i>Specific objective No 4 - Enforcement</i>	<i>31 %</i>
<i>Total operational budget</i>	<i>100 %</i>

***The amounts specified are indicative. In
its annual work programmes, the
Commission may decide on variations of
+/- 20 % among the objectives. The***

Commission shall be empowered to adopt delegated acts in accordance with Article 15 to adopt variations of more than 20 % to the indicative amounts specified in this Annex.

EXPLANATORY STATEMENT

The Commission proposal

The Commission's proposal for a regulation seeks to establish a framework for funding the Union's actions in consumer policy during 2014-2020. The figures cited correspond to those outlined by the Commission in its proposal 'A budget for Europe 2020', envisaging a budget of EUR 175 million over seven years, i.e. EUR 25 million per year at constant prices (EUR 197 million over seven years at current prices). The regulation should come into force in January 2014.

The rapporteur is in favour of the proposal, which seeks to ensure that consumers in the European Union continue to receive a high level of protection and to enable them to better exercise their rights. Overall, the rapporteur agrees with the proposal's four objectives, on which there is relative consensus and which follow on from the previous programme.

Nonetheless it must be remembered that this regulation should enable the Union to meet the new challenges consumer policy will be posing by 2020. There are, therefore, good grounds for orienting the regulation more towards the future, stressing the goals of the Europe 2020 Strategy and adding a reference to the 'Consumer Agenda', which establishes the strategic framework for consumer policy for the years to come. However, having to decide on the financial programme before having been able to consider the detailed strategic guidelines this Agenda sets out was not ideal.

Financial framework and allocation of appropriations per objective

This is a very modest programme in budgetary terms. The average cost per year to the 500 million consumers in the EU-27 is EUR 0.05 per consumer. This is even a drop, relatively speaking, on the figure for the previous period, when the cost per consumer rose to EUR 0.07. Whether this sum will be sufficient to achieve the objectives of the future consumer policy is a legitimate question, even if it is accepted that the economic crisis we are going through at present means we must be sensible. In any event, cutting the overall budget in any way would not be acceptable.

The link between this budget and the ongoing negotiations on the multiannual financial framework must not be forgotten. Knowing that the proposed financial framework is subject to the outcome of negotiations between the institutions, the rapporteur proposes keeping (with the exception of the change to the amounts for objective 1 and objective 2 mentioned below) as reference amounts (in brackets) the amounts proposed by the Commission, and making mention of the work of the SURE Committee¹ (at least 5 % increase in the level of resources allocated to the next multiannual financial framework) in remarks, so Parliament's objectives in the budget negotiations are borne in mind. Then if appropriate after the next multiannual financial framework has been adopted, we will ask the Commission to present a revised proposal to adjust the reference amount in the current programme.

¹ <http://www.europarl.europa.eu/sides/getDoc.do?type=TA&language=FR&reference=P7-TA-2011-266>

As regards the proposed budget allocated to each objective, the rapporteur is of the opinion that greater importance should be given to the first objective, safety, which he regards as a priority: EU consumers must first and foremost be able to have goods and services that are safe and be certain that market surveillance in the EU is effective. The following also need to be taken into account: the necessary review of the General Product Safety Directive, modernisation of the RAPEX tool, improvement to safety databases and the growing number of notifications for dangerous goods – more than 2 200 in 2010. The rapporteur proposes increasing the share of the budget for market surveillance and measures to ensure compliance with legislation under objective 1 by a further 3 %, in addition to the relative increase already planned by the Commission, meaning that this objective's share of the overall budget for operational appropriations rises from 22 % to 25 %.

The budget for conducting Union-wide studies and analyses on consumers and consumer markets should be reduced. Of course data needs to be collected so appropriate legislation can be prepared and specific sectors at risk identified, and this must be supported. But a cut can be justified as the launch phase for scoreboards has come to an end and thought can be given to reducing the number of costly analyses and studies in order to concentrate more on tangible actions. Moreover follow-up must be arranged for these studies, be they in connection with the preparation of new laws or identifying possible market malfunctions or new consumer needs, and they have to be made more available to all stakeholders.

Concerning education actions, the evaluation of Dolceta showed that it had low visibility, its 'one size fits all' approach is inappropriate, its content too static and difficult to access, and it is not interactive enough¹. Therefore, the rapporteur proposes a cut of 3 % in the indicative operational appropriations allocated to objective 2 (37 % reduced to 34 %).

In addition, the report provides for some flexibility with regard to this indicative breakdown for each objective: the Commission is granted a 20 % margin of manoeuvre around the indicative percentages and, should it want to depart even further from the proposed numbers, the Commission would have the possibility to amend them via a delegated act.

Procedures for implementing the programme

The Commission proposes the following procedures for implementing the programme: implementing powers in regard to the adoption of annual work programmes with an advisory procedure, delegation of power to adapt the indicators in Annex II and an article at the end of Annex I specifying that similar actions with similar impact and which pursue the programme's specific objectives may be added to the list of actions.

In the rapporteur's view, the procedures proposed by the Commission do not respect the prerogatives granted to Parliament by the TFEU. 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, for which power needs to be delegated to the Commission in accordance with Article 290 TFEU. In

¹ SEC(2011) 414 final - Commission Staff Working Document - Evaluation of the Consumer Policy Strategy and Programme of Community Action, p. 47-67, 126-128.

light of these conclusions, the rapporteur proposes having recourse to delegated acts for the adoption of annual work programmes and to add to the list of actions in Annex I.

Indicators

The indicators in Annex II can be improved. Other indicators are essential for the second objective. Even if this is difficult to do, we expect the Commission to propose new ones via delegated acts. Regarding the third objective, the rapporteur considers that adding the percentage of consumers who have taken action in response to a problem encountered in the past 12 months would be relevant: this may show how much knowledge and interest consumers have in these procedures. The rapporteur also proposes including figures on how well the ECCs are known, with only 15 % of EU citizens being aware of their existence¹. Regarding the fourth objective, in view of the age of the CPC network – which will have been in existence for seven years by 2014 – the rapporteur proposes including indicators on the network's efficiency alongside the figures on information flow.

Administrative and technical assistance

The rapporteur proposes a 10.5 % cap on the share of the programme's financial allocation for expenditure of this kind, in order to ensure that a significant share of the budget remains available to fund tangible actions under the programme's objectives.

Information on the content of actions, by objective

Objective 1

The proposal to set up a longer-lasting structure than the current informal coordination system (PROSAFE) as part of the (early) review of the General Product Safety Directive, and the financing of joint actions are positive moves.

The rapporteur has made proposals for improvements to encourage modernisation of the RAPEX tool. Other proposals are intended to concentrate the exchange of officials on those sectors at risk (e.g. textiles accounting for 32 % of notifications in 2010², and toys 25 %). As regards third countries, better account needs to be taken of the globalisation of the production chain and the fact that markets are increasingly interdependent by concentrating cooperation in administrative matters and in enforcement of legislation on those countries at the origin of a significant number of notifications. The rapporteur notes, for instance, that in 2010, 58 % of notifications were for products from China³, and in 16 % of cases it was not possible to identify the manufacturers.

Objective 2

As regards support for consumer organisations at Union level, the rapporteur acknowledges

¹ DG SANCO - Evaluation of the European Consumer Centres Network (ECC-Net) - Final report - 14 February 2011, p. 13.

² RAPEX - 2010 Annual Report.

³ RAPEX - 2010 Annual Report.

their importance in spreading information, helping consumers to exercise their rights, and in the contribution they make to drawing up legislation. He therefore proposes continuing to provide financial support to European consumer organisations while reinforcing capacity building and stepping up exchanges of best practice, consumer research and consumer information for consumer organisations at Union, national and regional level.

While the rapporteur welcomes the decision to continue TRACE, which is very useful, he would like to see the impact of these training courses spread more widely by planning, if possible, to target them on areas where consumers' level of trust and awareness is relatively low or where consumer organisations are insufficiently well developed. Cross-border areas should also be targeted, as should increasing the spread of languages and locations where these training courses can be run (see TRACE evaluation¹), and creating an interactive area for the exchange and provision of materials produced².

As regards the transparency of markets and information campaigns, it should be remembered that providing comparable, reliable and easily accessible data on prices, quality and durability to consumers is important. In this context, the development of comparison websites, as well as the development and monitoring of a certification label for such websites, including for cross-border purchases, would bring about considerable added value.

As for the 'education' component – as mentioned above – the rapporteur welcomes the Commission's attempts to draw conclusions from mistakes made in the past. In addition to opting for a proportional reduction in the budget available, he supports the idea of recalibrating the educational tools and creating a platform for discussions on consumer education. Ensuring that education actions are carried out in partnership with the Member States and with stakeholders active at grass-roots level will be important and, with promotion of lifelong learning in mind, there should also be a particular focus on vulnerable consumers.

Objective 3

Here, stress must be laid on the accessibility of dispute settlement mechanisms, to ensure their use by the greatest possible number of people. It has however been proven that vulnerable people, are less inclined to make use of them³, hence the need for specific actions in this regard.

The budget planned for setting up the online consumer disputes resolution platform, which is currently the subject of a legislative proposal, should also be noted. Concerning the proposal for a framework directive on out-of-court settlement of consumer disputes, the rapporteur emphasises the need to facilitate exchanges between the national bodies concerned – the idea is not to subsidise them but to support their meetings with a view to improving the dissemination amongst them of best practice and experience while paying specific attention to vulnerable consumers' needs and rights.

¹ Ecorys - Evaluation of Consumer Education, Information and Capacity Building Actions: Final Report - Octobre 2011, p. 139

² SEC(2011) 414 final - Commission Staff Working Document - Evaluation of the Consumer Policy Strategy and Programme of Community Action, p. 97

³ COM(2011)1320 final - Commission Staff Working Document - Impact Assessment, p. 16

Objective 4

The budget for this fourth objective has risen, with the Commission proposing that the rates for co-financing the European Consumer Centres (ECCs) should increase from 50 % to 70 %. The rapporteur is in favour of this proposal, being aware that the ECC network is of great help to consumers with cross-border issues, but he stresses once again that their visibility needs to be increased.

4.6.2012

OPINION OF THE COMMITTEE ON BUDGETS

for the Committee on the Internal Market and Consumer Protection

on the proposal for a regulation of the European Parliament and of the Council on a consumer programme 2014-2020
(COM(2011)0707 – C7-0397/2011 – 2011/0340(COD))

Rapporteur: José Manuel Fernandes

SHORT JUSTIFICATION

The Commission proposes to establish a Consumer Programme for the period 2014-2020 by the means of a Regulation, based on Article 169 of the Treaty on the Functioning of the European Union. The total financial appropriations for implementing the Programme over the period from 1 January 2014 to 31 December 2020 will amount to EUR 197 million in current prices.

The new Consumer Programme will support the general objective of future consumer policy placing the empowered consumer at the centre of the Single Market.

The Rapporteur, having reviewed the draft legislative act:

- welcomes the Proposal from the Commission to create the Consumer Programme for 2014-2020 and stresses that the Proposal must correspond to the Europe 2020 Strategy and contribute to its objectives;
- believes that, considering the need of driving economic growth in the EU, the Consumer Programme must help European citizens to reap the full potential of the Single Market, since consumers, as the main target of this programme, should be well-informed of their rights and ways to exercise them and fully trust the various actors comprising the Single Market;
- stresses that the proposed total budget of the Consumer Program 2014-2020, amounting to EUR 197 million (at current prices), is modest, but 20.65 million for administrative expenditure, arising from the implementation of the programme, is high;
- supports Option 2 of the Commission resulting from the Impact Assessment, as it is in line with the Commission's priorities (Europe 2020, Single Market Act) and with the ongoing reflection on the future of consumer policy;

- argues that consumer information and participation is a cross-sectional priority, and, therefore, must be present, whenever possible, in all actions financed under the new programme and grouped into the following four objectives: (1) Safety, (2) Information and education, (3) Rights and redress, and (4) Enforcement;
- asks for considering the creation of the European Accreditation Centre for online companies, which would allow consumers to check the credibility and reliability of companies, increase consumer confidence and improve the transparency of online transactions;
- defends the application of the principles of sound financial management, transparency and flexibility in the implementation of the programme; therefore, the creation of an executive agency shall be permissible only on the basis a positive result of an independent cost-benefit analysis;
- stresses the need to establish a set of appropriate statistical indicators, which should be monitored on an annual basis, at the EU level measuring the functioning of the Single Market;
- believes that consumer associations should be supported, but, at the same time, calls for stronger individual participation and, in particular, improvement of the consumers' use of ICT tools and creation of an electronic, EU-wide platform through which to file complaints, share and receive information;
- encourages the creation of online platforms and software tools to bring consumers and companies closer to the market;
- supports the development of interactive platforms for the exchange of best practices and training materials on consumer education and suggests that the most vulnerable groups deserve special attention in order to foster inclusive growth.

AMENDMENTS

The Committee on Budgets calls on the Committee on the Internal Market and Consumer Protection, as the committee responsible, to incorporate the following amendments in its report:

Amendment 1

Draft legislative resolution Paragraph 1 a (new)

Draft legislative resolution

Amendment

1a. Recalls its resolution of 8 June 2011 on Investing in the future: a new Multiannual Financial Framework (MFF) for a competitive, sustainable and

inclusive Europe¹; reiterates that sufficient additional resources are needed in the next MFF in order to enable the Union to fulfil its existing policy priorities and the new tasks provided for in the Treaty of Lisbon, as well as to respond to unforeseen events; points out that, even with an increase in the level of resources for the next MFF of at least 5 % compared to the 2013 level, only a limited contribution can be made to the achievement of the Union's agreed objectives and commitments and the principle of Union solidarity; challenges the Council, if it does not share this approach, to clearly identify which of its political priorities or projects could be dropped altogether, despite their proven European added value;

¹ *Texts adopted, P7_TA(2011)0266.*

Amendment 2

Draft legislative resolution Paragraph 1 b (new)

Text proposed by the Commission

Amendment

Ib. Stresses that the proposed total budget of the consumer programme 2014-2020, amounting to EUR 197 million (at current prices) is modest and points out 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;

Amendment 3

Draft legislative resolution Paragraph 1 c (new)

Text proposed by the Commission

Amendment

1c. Considers EUR 20,65 million for administrative expenditure, arising from the implementation of the programme, to be high and calls on the Commission to justify and re-evaluate that expenditure;

Justification

Since the total amount of the program is 197 million, 20.65 million for administrative expenditure is more than 10 percent of the total envelope.

Amendment 4

Proposal for a regulation Recital 4

Text proposed by the Commission

Amendment

(4) These actions should be laid down in a consumer programme for the period 2014 – 2020 (hereinafter 'the Programme'), providing a framework for funding Union actions. In accordance with Article 49 of Council Regulation (EC, Euratom) No 1605/2002 of 25 June 2002 on the Financial Regulation applicable to the general budget of the European Communities, this Regulation is to provide the legal basis for the action and for the implementation of the Programme. This Regulation builds on and continues the actions funded under Decision No 1926/2006/EC of the European Parliament and of the Council of 18 December 2006 establishing a programme of Community action in the field of consumer policy (2007-2013).

(4) These actions should be laid down in a consumer programme for the period 2014 – 2020 (hereinafter 'the Programme'), providing a framework for funding Union actions. In accordance with Article 49 of Council Regulation (EC, Euratom) No 1605/2002 of 25 June 2002 on the Financial Regulation applicable to the general budget of the European Communities ***and its subsequent revision by Regulation (EU) No XXX/201Y¹***, this Regulation is to provide the legal basis for the action and for the implementation of the Programme. This Regulation builds on and continues the actions funded under Decision No 1926/2006/EC of the European Parliament and of the Council of 18 December 2006 establishing a programme of Community action in the field of consumer policy (2007-2013).

Amendment 5

Proposal for a regulation

Recital 5

Text proposed by the Commission

(5) It is important to improve consumer protection. To achieve this general objective, specific objectives should be set as regards safety, consumer information and education, rights and redress as well as enforcement in respect of consumer rights. The value and impact of the measures taken under the Programme should **regularly** be monitored and evaluated. For the purposes of evaluating consumer policy indicators should be developed.

Amendment

(5) It is important to improve consumer protection, **with particular focus on vulnerable groups in order to achieve the objective of inclusive growth**. To achieve this general objective, specific objectives should be set as regards safety, consumer information and education, rights and redress as well as enforcement in respect of consumer rights. The value and impact of the measures taken under the Programme should **annually** be monitored and evaluated, **and reported to the European Parliament**. For the purposes of evaluating consumer policy, indicators should be developed. **In addition, the Commission should establish a set of appropriate statistical indicators at Union level, for instance for cross-border sales or online sales, in order to assess results and progress in improving of the functioning of the single market.**

Justification

The aim of consumer policy is to contribute to better functioning of the Single Market; therefore, its progress also must be measured, regardless of the fact that other factors than consumer policy also contribute to the Single Market.

Amendment 6

Proposal for a regulation

Recital 9 a (new)

Text proposed by the Commission

Amendment

(9a) In the spirit of the principles of sound financial management,

transparency and flexibility in the implementation of the Programme, the continuation of the executive agency should be permissible only on the basis of a clearly positive result of a new, independent cost-benefit analysis.

Amendment 7

Proposal for a regulation Recital 9 b (new)

Text proposed by the Commission

Amendment

(9b) For 2007-2013, the Programme of Community Action in the field of consumer policy was allocated approximately EUR 157 million (in 2011 constant prices). The proposed financial envelope of EUR 175 million (in 2011 constant prices) for the 2014-2020 Consumer Programme represents a modest increase while the Union needs to effectively implement its ambitions in the field of consumer policy, as set out in the Commission Communication of 22 May 2012 entitled "A European Consumer Agenda - Boosting confidence and growth", supported by all Union institutions;

Amendment 8

Proposal for a regulation Recital 9 c (new)

Text proposed by the Commission

Amendment

(9c) Expenditure of Union and Member States' funds in the area of consumer safety, education, rights and enforcement should be better coordinated in order to assure complementarity, better efficiency and visibility, as well as to achieve better budgetary synergies.

Justification

The Commission should attempt to increase the capacity of national consumer associations, especially in Member States with relatively weaker consumer culture, through better pooling and coordination of resources.

Amendment 9

Proposal for a regulation Article 2

Text proposed by the Commission

The aim of the Programme is to support the policy objective of placing the empowered consumer at the centre of the internal market. The Programme will do so by contributing to protecting the health, safety and economic interests of consumers, as well as to promoting their right to information, education and to organise themselves in order to safeguard their interests. The Programme will complement, support and monitor the policies of Member States.

Amendment

The aim of the Programme is to support the policy objective of placing the empowered consumer at the centre of the internal market. The Programme will do so by contributing to protecting the health, safety and economic interests of consumers, as well as to promoting their right to information, education and to organise themselves in order to safeguard their interests. The Programme will complement, support and monitor the policies of Member States. ***The Programme shall also complement and create synergies with other Union instruments and policies, in particular under the 2014-2020 Multiannual "Rights and Citizenship" programme which includes, as one of its objectives, the empowerment of consumers¹.***

¹ ***Objective [(e)] of Regulation (EU) No XXX./201Y [establishing for the period 2014 to 2020 the Rights and Citizenship Programme].***

Amendment 10

Proposal for a regulation

Article 3 – paragraph 1 – subparagraph 1 a (new)

Text proposed by the Commission

Amendment

High-quality consumer information and participation is a cross-sectoral priority and, therefore, shall be expressly present, whenever possible, in all sectoral objectives and actions financed under the Programme.

Justification

The Commission should attempt to increase the profile of informed consumer participation across the board, since the ultimate goal of the programme is to place a consumer at the centre of the Single Market.

Amendment 11

Proposal for a regulation

Article 4 – paragraph 1 – point a – point 3 a (new)

Text proposed by the Commission

Amendment

(3a) establishment of a European Accreditation Centre for Online Companies in order to improve transparency, legal certainty and safety of consumers while engaging in financial transactions online, following a cost-benefit analysis;

Justification

The European Accreditation Centre for Online Companies would allow consumers to check the credibility and reliability of companies, increase consumer confidence and improve the transparency of online transactions.

Amendment 12

Proposal for a regulation

Article 4 – paragraph 1 – point c – point 9 a (new)

Text proposed by the Commission

Amendment

(9a) creation of an electronic, Union-wide platform, through which consumers can file complaints, share and receive information, rank products and receive expert advice;

Justification

The creation of online platforms and software tools to bring consumers and companies closer to the market contributes to more effective participation.

Amendment 13

Proposal for a regulation

Article 6

Text proposed by the Commission

Amendment

Financial framework

The financial envelope for the implementation of the Programme shall be EUR 197,000,000 in current prices.

Budget

The financial envelope for the implementation of the Programme, ***within the meaning of point [17] of the Interinstitutional Agreement of XX/201Y between the European Parliament, the Council and the Commission on cooperation in budgetary matters and sound financial management¹***, shall be EUR 197 000 000 in current prices. ***The annual appropriation shall be authorised by the budgetary authority.***

¹ OJ...

Amendment 14

Proposal for a regulation

Article 10

Text proposed by the Commission

The Commission shall implement the Programme by means of the management modes referred to in Article 53 of Regulation (EC, Euratom) No 1605/2002.

Amendment

The Commission shall implement the Programme by means of the management modes referred to in Article 53 of Regulation (EC, Euratom) No 1605/2002 **or its modified version under Regulation (EU) No XXX/201Y¹.**

¹ COM(2010)0815.

Amendment 15

Proposal for a regulation Article 12 - paragraph 1

Text proposed by the Commission

The Commission shall implement the Programme by adopting annual work programmes in the form of implementing acts *setting* out the elements provided for in Regulation (EC, Euratom) No 1605/2002 and in particular:

- (a) the implementation priorities and the actions to be undertaken, including the allocation of financial resources;
- (b) the essential selection and award criteria to be used to select the proposals receiving financial contributions;
- (c) the time schedule of the planned calls for tenders and calls for proposals;

Amendment

The Commission shall implement the Programme by adopting annual work programmes in the form of implementing acts. ***Those implementing acts shall be adopted in accordance with Regulation (EU) No 182/2011 of the European Parliament and of the Council of 16 February 2011 laying down the rules and general principles concerning mechanisms for control by the Member States of the Commission's exercise of implementing powers¹. Those implementing acts shall set*** out the elements provided for in Regulation (EC, Euratom) No 1605/2002 ***as revised by Regulation XXX/201Y*** and in particular:

- (a) the implementation priorities and the actions to be undertaken, including the ***indicative*** allocation of financial resources;
- (b) the essential selection and award criteria to be used to select the proposals receiving financial contributions;
- (c) the time schedule of the planned calls for tenders and calls for proposals;

(d) *where appropriate*, the authorisation to use lump sums, standard scales of unit costs or flat-rate financing in line with Regulation (EC, Euratom) No 1605/2002;

(e) the criteria for assessing whether or not exceptional utility applies.

(d) *whenever possible*, the authorisation to use lump sums, standard scales of unit costs or flat-rate financing in line with Regulation (EC, Euratom) No 1605/2002 **as revised by Regulation (EU) No XXX/201Y**;

(e) the criteria for assessing whether or not exceptional utility applies.

¹ OJ L 55, 28.2.2011, p. 13.

Amendment 16

Proposal for a regulation Article 13 - paragraph 2 - subparagraph 1

Text proposed by the Commission

2. No later than mid-2018, an evaluation report shall be established by the Commission on the achievement of the objectives of all the measures (at the level of results and impacts), the efficiency of the use of resources and its European added value, in view of a decision on the renewal, modification or suspension of the measures. The evaluation shall additionally address the scope for simplification, its internal and external coherence, the continued relevance of all objectives, as well as the contribution of the measures to the Union priorities of smart, sustainable and inclusive growth. It shall take into account evaluation results on the long-term impact of the predecessor programme;

Amendment

2. No later than mid-2018, an evaluation report shall be established by the Commission on the achievement of the objectives of all the measures (at the level of results and impacts), the efficiency of the use of resources and its European added value, in view of a decision on the renewal, modification or suspension of the measures. The evaluation shall additionally address the scope for simplification, its internal and external coherence, the continued relevance of all objectives, as well as the contribution of the measures to the Union priorities of smart, sustainable and inclusive growth. It shall take into account evaluation results on the long-term impact of the predecessor programme. ***On the basis of that evaluation, and if appropriate, the Commission may present a proposal to amend this Regulation.***

PROCEDURE

Title	Consumer programme 2014-2020
References	COM(2011)0707 – C7-0397/2011 – 2011/0340(COD)
Committee responsible Date announced in plenary	IMCO 30.11.2011
Opinion by Date announced in plenary	BUDG 30.11.2011
Rapporteur Date appointed	José Manuel Fernandes 6.2.2012
Date adopted	31.5.2012
Result of final vote	+: 28 –: 3 0: 0
Members present for the final vote	Marta Andreasen, Richard Ashworth, Francesca Balzani, Zuzana Brzobohatá, Jean-Luc Dehaene, Göran Färm, José Manuel Fernandes, Eider Gardiazábal Rubial, Salvador Garriga Polledo, Jens Geier, Lucas Hartong, Jutta Haug, Sidonia Elżbieta Jędrzejewska, Ivailo Kalfin, Jan Kozłowski, Alain Lamassoure, Giovanni La Via, George Lyon, Claudio Morganti, Juan Andrés Naranjo Escobar, Nadezhda Neynsky, Dominique Riquet, Alda Sousa, László Surján, Jacek Włosowicz
Substitute(s) present for the final vote	Alexander Alvaro, Edit Herczog, Jürgen Klute, Paul Rübig, Peter Šťastný, Gianluca Susta

1.6.2012

OPINION OF THE COMMITTEE ON LEGAL AFFAIRS

for the Committee on the Internal Market and Consumer Protection

on the proposal for a regulation of the European Parliament and of the Council on a consumer programme 2014-2020
(COM(2011)0707 – C7-0397/2011 – 2011/0340(COD))

Rapporteur: Cecilia Wikström

SHORT JUSTIFICATION

Your rapporteur for opinion welcomes that the general objective of the new consumer programme proposed by the Commission is to place the empowered consumer at the centre of the single market, and in particular with regard to putting into place tools to detect failings in standards and practices and to address them effectively across Europe. It is essential that consumers can confidently exercise their rights under Union law and that, when something goes wrong, they can count both on the effective enforcement of those rights and on easy access to efficient redress.

Against this background the rapporteur welcomes the current proposals on online dispute resolution for consumer disputes (Regulation on consumer ODR) and on alternative dispute resolution for consumer disputes (Directive on consumer ADR), and is therefore proposing a number of amendments to the proposal for a consumer programme in order to ensure that these initiatives will be sufficiently funded.

Concerning objective 4 on enforcement, this rapporteur considers that action should be stepped up when it comes to administrative and enforcement cooperation with third countries which are not participating in the programme, in particular by also promoting further cooperation with international organisations on consumer enforcement issues.

AMENDMENTS

The Committee on Legal Affairs calls on the Committee on the Internal Market and Consumer Protection, as the committee responsible, to incorporate the following amendments in its report:

Amendment 1

Proposal for a regulation Recital 3

Text proposed by the Commission

(3) This Regulation takes into account the economic, social and technical environment and the concomitant emerging challenges. In particular, actions funded under this programme will seek to address issues linked to globalisation, digitalisation, the need to move towards more sustainable patterns of consumption, population ageing, social exclusion and the issue of vulnerable consumers. Integrating consumer interests into all Union policies, in accordance with Article 12 TFEU, ***should be given*** high priority. Coordination with other Union policies and programmes is a key part of ensuring that consumer interests are taken fully into account in other policies. In order to promote synergies and avoid duplication, other Union funds and programmes should provide for financial support for the integration of consumer interests in their respective fields.

Amendment 2

Proposal for a regulation Recital 5

Text proposed by the Commission

(5) It is important to improve consumer protection. To achieve this general objective, specific objectives should be set as regards safety, consumer information and education, rights and redress as well as enforcement in respect of consumer rights. The value and impact of the measures taken under the Programme should regularly be monitored and evaluated. For the purposes of evaluating consumer policy

Amendment

(3) This Regulation takes into account the economic, social and technical environment and the concomitant emerging challenges. In particular, actions funded under this programme will seek to address issues linked to globalisation, digitalisation, the need to move towards more sustainable patterns of consumption, population ageing, social exclusion and the issue of vulnerable consumers. Integrating consumer interests into all Union policies, in accordance with Article 12 TFEU, ***is a*** high priority. Coordination with other Union policies and programmes is a key part of ensuring that consumer interests are taken fully into account in other policies. In order to promote synergies and avoid duplication, other Union funds and programmes should provide for financial support for the integration of consumer interests in their respective fields.

Amendment

(5) It is important to improve consumer protection. To achieve this general objective, specific objectives should be set as regards safety, consumer information and education, rights and redress as well as enforcement in respect of consumer rights. ***Differences do, however, still exist at national level in those areas, and the measures taken under the Programme should be targeted at areas of maximum***

indicators should be developed.

harmonisation, in order to provide clarity for consumers and businesses. The value and impact of the measures taken under the Programme should regularly be monitored and evaluated ***and the benefits of simplification, smart regulation and the minimising of cost for consumers and administrative burdens for SMEs should always be taken into consideration.*** For the purposes of evaluating consumer policy indicators should be developed.

Amendment 3

Proposal for a regulation Article 2

Text proposed by the Commission

The aim of the Programme is to support the policy objective of placing the empowered consumer at the centre of the internal market. The Programme will do so by contributing to protecting the health, safety and economic interests of consumers, as well as to promoting their right to information, education and to organise themselves in order to safeguard their interests. The Programme will complement, support and monitor the policies of Member States.

Amendment

The aim of the Programme is to support the policy objective of placing the empowered consumer at the centre of the internal market. The Programme will do so by contributing to protecting the health, safety and economic ***and legal*** interests of consumers, as well as to promoting their right to information, education and to organise themselves in order to safeguard their interests. The Programme will complement, support and monitor the policies of Member States.

Amendment 4

Proposal for a regulation Article 3 – paragraph 1 – point b

Text proposed by the Commission

(b) Objective 2 - information and education: to improve consumers' education, information and awareness of their rights, to develop the evidence base for consumer policy and to provide support to consumer organisations.

Amendment

(b) Objective 2 - information and education: to improve consumers' ***as well as SMEs'*** education, information and awareness of their rights, to develop the evidence base for consumer policy and to provide support to consumer organisations.

Amendment 5

Proposal for a regulation

Article 3 - paragraph 1 - point c

Text proposed by the Commission

(c) Objective 3 - rights and redress: to consolidate consumer rights in particular through regulatory action and improving access to redress including alternative dispute resolution.

This objective will be measured in particular through the recourse to alternative dispute resolution to solve cross-border disputes and through the activity of a Union-wide on-line dispute resolution system.

Amendment

(c) Objective 3 - rights and redress: to strengthen consumer rights in particular through **smart** regulatory action and improving access to **affordable** alternative dispute resolution.

This objective will be measured in particular through the recourse to alternative dispute resolution to solve **domestic and** cross-border disputes and through the activity of a Union-wide on-line dispute resolution system.

Amendment 6

Proposal for a regulation

Article 3 - paragraph 1 - point d

Text proposed by the Commission

(d) Objective 4 - enforcement: to support enforcement of consumer rights by strengthening cooperation between national enforcement bodies and by supporting consumers with advice.

This objective will be measured in particular through the level of information flow and cooperation within the Consumer Protection Cooperation Network and the activity of the European Consumer Centres.

Amendment

(d) Objective 4 - enforcement: to support enforcement of consumer rights by strengthening cooperation between national enforcement bodies **and with third countries** and by supporting consumers with advice.

This objective will be measured in particular through the level of information flow and cooperation within the Consumer Protection Cooperation Network and the activity of the European Consumer Centres **as well as the level of cooperation with international organisations**.

Amendment 7

Proposal for a regulation
Article 4 – point b – point 7

Text proposed by the Commission

(7) enhancing *consumer* education;

Amendment

(7) enhancing *the* education *of consumers and SMEs*;

Amendment 8

Proposal for a regulation
Annex I - Objective III - point 8

Text proposed by the Commission

8. Preparation, transposition assessment, monitoring, evaluation, implementation and enforcement by Member States of consumer protection legislative and other regulatory initiatives and the promotion of co-regulatory and self-regulatory initiatives, including

(c) studies, ex ante and ex-post evaluations, impact assessments, public consultations, evaluation of existing legislation;

(d) seminars, conferences, workshops and meetings of stakeholders and experts;

(e) development and maintenance of easily and publicly accessible databases covering the implementation of Union legislation on consumer protection;

(f) evaluation of actions undertaken under the Programme.

Amendment

8. Preparation, transposition assessment, monitoring, evaluation, implementation and enforcement by Member States of consumer protection legislative and other regulatory initiatives and the promotion of co-regulatory and self-regulatory initiatives, including

(a) studies *and smart regulation activities such as* ex ante and ex-post evaluations, impact assessments, public consultations, evaluation *and simplification* of existing legislation;

(b) seminars, conferences, workshops and meetings of stakeholders and experts;

(c) development and maintenance of easily and publicly accessible databases covering the implementation of Union legislation on consumer protection;

(ca) *the promotion of action that benefits consumer protection in order to reduce the administrative burdens on SMEs*;

(d) evaluation of actions undertaken under the Programme.

Amendment 9

Proposal for a regulation

Annex I - Objective IV - point 10 - point d

Text proposed by the Commission

(d) administrative and enforcement cooperation with third countries which are not participating in the Programme.

Amendment

(d) administrative and enforcement cooperation with third countries which are not participating in the Programme ***and with international organisations.***

PROCEDURE

Title	Consumer programme 2014-2020
References	COM(2011)0707 – C7-0397/2011 – 2011/0340(COD)
Committee responsible Date announced in plenary	IMCO 30.11.2011
Opinion by Date announced in plenary	JURI 30.11.2011
Rapporteur Date appointed	Cecilia Wikström 21.11.2011
Discussed in committee	26.3.2012 26.4.2012
Date adopted	31.5.2012
Result of final vote	+: 22 -: 1 0: 0
Members present for the final vote	Raffaele Baldassarre, Luigi Berlinguer, Sebastian Valentin Bodu, Françoise Castex, Christian Engström, Marielle Gallo, Giuseppe Gargani, Lidia Joanna Geringer de Oedenberg, Sajjad Karim, Klaus-Heiner Lehne, Antonio Masip Hidalgo, Bernhard Rapkay, Evelyn Regner, Francesco Enrico Speroni, Rebecca Taylor, Alexandra Thein, Cecilia Wikström, Zbigniew Ziobro, Tadeusz Zwiefka
Substitute(s) present for the final vote	Sergio Gaetano Cofferati, Luis de Grandes Pascual, Eva Lichtenberger, Axel Voss

PROCEDURE

Title	Consumer programme 2014-2020			
References	COM(2011)0707 – C7-0397/2011 – 2011/0340(COD)			
Date submitted to Parliament	9.11.2011			
Committee responsible Date announced in plenary	IMCO 30.11.2011			
Committee(s) asked for opinion(s) Date announced in plenary	BUDG 30.11.2011	JURI 30.11.2011		
Rapporteur(s) Date appointed	Robert Rocheftort 8.12.2011			
Discussed in committee	6.2.2012	8.5.2012	31.5.2012	20.6.2012
Date adopted	21.6.2012			
Result of final vote	+: -: 0:	30 0 0		
Members present for the final vote	Pablo Arias Echeverría, Jorgo Chatzimarkakis, Sergio Gaetano Cofferati, Birgit Collin-Langen, Lara Comi, Anna Maria Corazza Bildt, Cornelis de Jong, Christian Engström, Evelyne Gebhardt, Malcolm Harbour, Philippe Juvin, Toine Manders, Hans-Peter Mayer, Sirpa Pietikäinen, Robert Rocheftort, Zuzana Roithová, Heide Rühle, Christel Schaldemose, Andreas Schwab, Róza Gräfin von Thun und Hohenstein, Emilie Turunen, Bernadette Vergnaud, Barbara Weiler			
Substitute(s) present for the final vote	Raffaele Baldassarre, Simon Busuttil, Morten Løkkegaard, Pier Antonio Panzeri, Laurence J.A.J. Stassen, Marc Tarabella, Kyriacos Triantaphyllides			
Date tabled	26.6.2012			