

Consumer programme

In a nutshell

EU consumer policy for the 2014-20 period is defined in the European Consumer Agenda, which is complemented in its financial aspects by the Consumer programme. The 2014-2020 programme has a budget of €188.8 million, corresponding to around €0.05 per consumer per year. The four key areas are: product safety; information, education and consumer advice; enhanced access to redress mechanisms for citizens; and better national enforcement of consumer rights.

EU Multiannual Financial Framework (MFF) heading and policy area

Heading 3 (Security and Citizenship)

Consumer protection

2014-20 financial envelope (in current prices and as % of total MFF)

Commitments: €188.829 million (0.0174%)

2014 budget (in current prices and as % of total EU budget)

Commitments: €24.53 million (0.2266%)

Payments: €20.36 million (0.1881%)

2015 budget (in current prices and as % of total EU budget)

Commitments: €24.66 million (0.2278%)

Payments: €20.92 million (0.1932%)

Methods of implementation

Direct management (European Commission, and the Consumers, Health, Agriculture and Food Executive Agency).



In this briefing:

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- Funded actions
- Assessment of programme/actions
- Other EU programmes and action in the same field

EU role in the policy area: legal basis

According to the Treaty on the Functioning of the European Union (TFEU), consumer protection issues are a **shared competence** of the European Union and Member States. Once the EU legislation in this domain is adopted through the **ordinary legislative procedure**,¹ Member States are responsible for enforcing EU rules.

Article 169 TFEU defines specific consumer-protection policy objectives: 'In order to promote the interests of consumers and to ensure a high level of consumer protection, the Union shall contribute 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**'. Article 169(4) TFEU also states that EU measures shall not prevent any Member State from maintaining or introducing even more stringent protective measures, provided that they are compatible with the Treaties.

EU consumer policy for the 2014-20 period is defined in the [European Consumer Agenda](#), complemented on financial aspects, by the Consumer programme. [Regulation \(EU\) No 254/2014 established](#) the Consumer programme for 2014 to 2020.

Objectives of the programme

Consumer spending accounts for **57% of EU gross domestic product (GDP)**,² which makes European consumers key to stimulating growth in the European economy. Between 2008 and 2010, the volume of intra-EU trade in consumer products amounted to almost **€1 trillion**. In 2013, the European Commission estimated the value of consumer and professional goods in the EU27 at approximately **€2.1 trillion**.³ However, according to a 2011 [Eurobarometer study](#), less than 50% of EU consumers feel confident, knowledgeable and protected as consumers.

The Consumer programme sets four specific objectives to enhance consumer protection. These are: **I. Safety**, by consolidating and enhancing product safety through effective market surveillance throughout the Union, particularly via the [RAPEX system](#); **II. Consumer information and education, and support to consumer organisations**, by developing the evidence base for consumer policy and taking into account the specific needs of vulnerable consumers; **III. Rights and redress**, by developing and reinforcing consumer rights and improving access to simple, efficient, expedient and low-cost redress, including alternative dispute resolution; **IV. Enforcement of rights**, by strengthening cooperation between national enforcement bodies and supporting consumers with advice.

Funded actions

The 2007-13 Consumer programme budget was **€156.8 million**. The 2014-20 programme has funds of **€188.8 million**, corresponding to around **€0.05 per consumer per year**.⁴ The European Commission sets priorities every year, which are implemented through funding EU and national programmes. An example of EU-funded programmes is the [European Consumer Centres \(ECC\) Network](#) – a network of offices located in all EU Member States offering advice to consumers on their rights.

Funds are also distributed through the [Consumers, Health, Agriculture and Food Executive Agency \(CHAFAEA\)](#), either by providing grants or through public procurement. Recipients may be government entities, public bodies, or consumer organisations operating at national and/or EU levels.

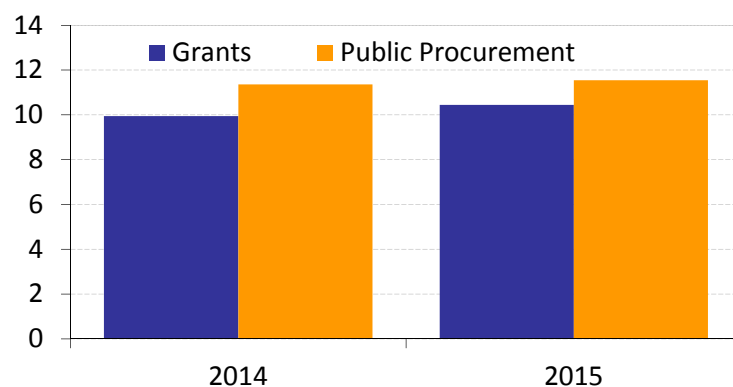
The Consumer programme focuses on **11 eligible actions**: three under objective I, four under objective II, two under objective III, and two under objective IV. Specific **targets** are set for each action. For example, under objective III, the target is to deal with 200 000 cases via an EU-wide online dispute resolution system, while under objective IV, the target is a 50% increase in the number of contacts with consumers handled by European Consumer Centres.

Grants, public procurement and other actions

The Commission's [financial transparency system](#) lists a total of **419 consumer policy actions**, funded by CHAFEA between 2009 and 2013. **Grants** – European Commission subsidies aimed at supporting the actions of organisations which contribute to EU policy aims – are an important part of these actions. Of the 69 actions funded in 2010, 58 were grants; 56 out of 68 actions in 2011; 96 out of 114 in 2012; and finally 63 out of 85 in 2013.

For 2015, the grants budget (implemented under direct management) is set at **€10.45 million** (a slight increase compared to **€9.95 million in 2014**). Funding of **€2.5 million** is available for calls for proposals concerning joint cooperation actions in the area of food safety and non-food consumer products. Operating grants for the functioning of EU-level consumer organisations (e.g., the *Bureau Européen des unions de consommateurs*, the *Associazione italiana difesa dei consumatori e ambiente* and the *Centre européen des consommateurs*) are funded with **€1.4 million** budget. Finally, financial support for events concerning consumer policy is set at **€50 000** maximum for each six-month EU Council Presidency; **€450 000** is available for joint actions between national authorities, whereas **€6 million** is provided to support European Consumer Centre actions.

Figure 1 – budget for grants and public procurement (€ million)



Data source: [European Commission](#), 2014/2015.

Public procurement includes all contracts concluded by the Commission with outside organisations to obtain a service or product. These operators are selected via calls for tender, launched by CHAFEA, to develop other actions in the field of consumer affairs (e.g., market studies and information campaigns on consumer rights). For 2015, the budget for public procurement (implemented under direct management) is set at **€11.56 million** (a slight increase compared to **€11.37 million in 2014**).

Finally, **€500 000** is allocated for financing 'other actions' in 2015: **€330 000** to support independent scientific advice to the European Commission and **€170 000** in special indemnities for exchanges of enforcement officials between authorities in consumer safety and consumer protection cooperation.

Assessment of programme/actions

In the [2010 EU Citizenship Report](#), the European Commission identified 25 main obstacles European citizens face in everyday life. These obstacles also concerned consumer-related issues (e.g., the absence of a single set of consumer protection rules

and the lack of awareness about means of redress), which the Commission committed to implement in forthcoming consumer programmes.

As far as the programmes are concerned, the latest European Commission [report](#) on consumer policies covers the period from January 2012 to December 2013. The report acknowledges the progress made during the two years since the adoption of the Consumer Agenda. At the time the report was published, the Commission indicated that **50 out of the 61** actions contained in the Consumer Agenda were completed.⁵

Other EU programmes and action in the same field

A number of actions sponsored by the European Commission and CHAFEA are related to Consumer programme goals. The European Commission considers four policy areas key for consumers – namely: retail financial services, [services of general interest](#), [passenger rights](#) and [gas and electricity consumer rights](#) – and finances each of these areas with grants and tenders.

CHAFEA is in charge of three programmes: the Consumer programme, the Health programme, and the [Better Training for Safer Food](#) Initiative. This last initiative is aimed at organising a training strategy in the following legislative areas: food, feed, animal health, animal welfare and plant health. Between 2009 and 2014, the executive agency published **60 calls for tender**, to task private companies with the organisation of the training sessions and other practical arrangements for the participants.

Finally, other European agencies are also charged with consumer programmes. The [European Food Safety Authority](#), for example, runs projects on food quality and genetically modified organisms, or the provision of scientific advice and food assessment, (for which **€13.98 million** was budgeted in 2014). Another example is the [European Environment Agency's](#) (projects on consumption and tourism).

Endnotes

¹ Article 169(3) TFEU: 'The European Parliament and the Council, acting in accordance with the ordinary legislative procedure and after consulting the Economic and Social Committee, shall adopt the measures referred to in paragraph 2(b)'.

² [Consumer Markets Scoreboard Making markets work for consumers](#), 10th edition, European Commission, June 2014.

³ [Product safety and market surveillance package](#), European Commission COM(2013)74 final.

⁴ [Putting the consumer first](#), European Commission, November 2014.

⁵ C. Collová, [Detailed appraisal of the European Commission's impact assessment](#), EPRS, 2014.

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