



COMMISSION OF THE EUROPEAN COMMUNITIES

Brussels, 01.12.1998
SEC(1998) 2019 final

98/ 0028 (COD)

COMMUNICATION FROM THE COMMISSION
TO THE EUROPEAN PARLIAMENT

pursuant to the second subparagraph of Article 189 b (2) of the EC-Treaty

Common position of the Council on the proposal for a Decision of the European Parliament and Council establishing a general framework for Community activities in favour of consumers.

COMMUNICATION FROM THE COMMISSION TO THE EUROPEAN PARLIAMENT

(PURSUANT TO ARTICLE 189B(2), 2ND INDENT OF THE EC TREATY)

Common position of the Council on the proposal for a Decision of the European Parliament and Council establishing a general framework for Community activities in favour of consumers.

1. BACKGROUND:

Date of transmission of the proposal to the European Parliament and the Council: 28 January 1998.

Date of the opinion of the European Parliament, first reading: 7 October 1998.

Date of transmission of the amended proposal: 30 October 1998.

Date of adoption of the common position: 20 November 1998.

Date of the opinion of the Economic and Social Committee: 28 May 1998.

2. SUBJECT OF THE PROPOSAL:

The proposal aims at establishing the legal framework for activities eligible for Community funding in the field of consumer policy and consumer health protection.

The proposal creates a framework and does not try to exhaust all the possibilities offered by the provisions and objectives of the Treaty.

The proposal describes the activities potentially eligible for Community funding:

- actions taken by the Commission;
- actions to support European consumer organisations;
- actions to fund specific projects, in particular those presented by European consumer organisations.

The proposal includes a financial allocation for the next five years.

It lays down criteria, which are not cumulative, for actions which may be eligible for Community support. It describes the selection, follow-up and monitoring procedures.

Finally, the annex to the proposal lists areas of activity which may be considered for Community funding.

3. COMMENTS ON THE COMMON POSITION

3.1 General comments:

If no decision is taken on this proposal by year's end, it will not be possible to commit certain appropriations in the 1998 budget and the funding of most of the 1999 activities will have to be suspended for want of a legal basis.

Both the European Parliament and Council have agreed to do their utmost to accelerate the decision-making process so as to take a decision before year's end if possible.

Once the Amsterdam Treaty enters into effect it will be possible to adapt this Decision to extend its scope in the consumer field.

Several amendments proposed by the European Parliament already anticipated the entry into effect of the Amsterdam Treaty. The Council has either rejected them or adapted them to bring the text of the Decision more into line with the Treaty as it stands.

3.2 General observations on the Council's common position:

The main points made by the Council in its common position concern:

- the financial envelope;
- the possible beneficiaries;
- the scope
- the creation of an advisory committee.

3.3 Fate of the European Parliament's amendments at the second reading:

The Commission accepted 29 of the 32 amendments proposed by the European Parliament.

Amendments accepted by the Commission and included in the common position.

The Council accepted almost all the EP amendments concerning the recitals, with a number of drafting changes.

The Council has in principle accepted the European Parliament's amendment designed to include actions concerning the protection of consumers' legal interests and consumer access to justice in the general framework.

The Council has not incorporated the details of the EP amendments on this subject in the Annex. However, it accepts the principle that activities in this area may be funded in this financial framework.

The same applies to actions in the field of information.

The Council's alterations to the text do not affect the substance of the actions envisaged by the Commission in these areas.

The European Parliament's amendment concerning Article 5 as regards the taking into account of administrative costs has been accepted.

The amendments to Article 8 on time limits for publication in the Official Journal and payment arrangements have been accepted by the Council.

4. PROVISIONS INTRODUCED BY THE COUNCIL:

The Commission's original proposal envisaged a financial allocation of 114 million ECU, of which 7,5 million ECU for the EHLASS programme.

On the basis of a Commission proposal to modify the financial allocation, the Council established a common position for a financial allocation of 112,5 million ECU, excluding the EHLASS programme.

The Council has redrafted the introductory text of Article 2 to bring it more into line with the Treaty.

In Article 2(c) the Council has reworded the description of the beneficiaries to do justice to the particular situation of consumer associations in certain Member States. For the same reasons the Council has added to Article 5(1), 2nd indent, a reference to the existing situations at national level.

In Article 7 the introductory text was adapted to take into account the different structures of consumer organisations in different Member States.

The Council has introduced an advisory committee in order to ensure better dialogue between Member States and the Commission as regards the selection of projects and activities to be funded under Article 2(b) and 2(c). The Commission will also inform this committee about the other activities to be funded under this Decision. The Commission will see to it that this information is also communicated to the European Parliament.

The above-mentioned adaptations agreed by the Council are acceptable to the Commission.

5. CONCLUSION:

The Council's common position is broadly in line with the proposal presented by the Commission and the amendments proposed by the European Parliament.