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CONSUMER POLICY

ANNUAL WORK PROGRAMME 2005, INCLUDING BUDGETARY IMPLICATIONS

AND SELECTION CRITERIA

(Text with EEA relevance)

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1. INTRODUCTION

According to the Financial Regulation applicable to the general budget of the European Communities¹, the commitment of the expenditure should be preceded by a financing decision adopted by the institution or the authorities to which powers have been delegated by the institution (Art.75).

Decision 20/2004/EC of the European Parliament and of the Council of 8 December 2003 establishing a general framework for financing Community actions in support of consumer policy for the years 2004-2007², states, in its Article 11, that “The Commission shall adopt an annual work programme including :

- the priorities for action under each objective,
- the breakdown of the annual budget among the types of action identified (...),

¹ Council Regulation (EC, Euratom) n°1605/2002 on the Financial Regulation applicable to the general budget of the European Communities (OJ L248/1 of 16.09.02).

² OJ L5/1 of 09.01.04

- a planned time-table of the calls for tenders, the joint actions and the calls for proposals,
- in the case of calls for proposals, the selection and award criteria for actions 16, 17 and 18³, the criteria for financial contributions of more than 50 % for action 18, and the indicative amount available for each of these calls for proposals, in accordance with the relevant provisions of the Financial Regulation and taking into account to the extent possible the need to set simple administrative requirements in particular in the case of small amounts of financial contributions for specific projects.”

This document aims to fulfil those obligations and present the different activities scheduled for 2005.

Decision 20/2004/EC sets a total budget of EUR 72 million for the “old” Member States (EU 15) for the period from 1 January 2004 to 31 December 2007, of which EUR 54 million covers the period up to 31 December 2006. This budget has been increased of 2.2 millions euros per year following the accession of new Member States in 2004. Both the Council and the Parliament have insisted on the need to make the budget allocation for 2007 provisional and subject to the Financial Perspectives post-2006.

The total budget allocation for 2005 for EU 25 is **EUR 20,2 million**.

The Decision requires that Community activities and projects under this general framework be consistent with the **Consumer Policy Strategy 2002-2006**⁴, and with other Community programmes and initiatives.

The Consumer Policy Strategy sets out three medium-term objectives, which are implemented by a short-term rolling programme of specific actions. The three objectives are:

- a high common level of consumer protection,
- effective enforcement of consumer protection rules,
- involvement of consumer organisations in EU policies.

Decision 20/2004/EC sets out four specific areas of activities for Community actions (Article 2) in support of these objectives:

- Protection of consumer health and safety with respect to services and non-food products;
- Protection of the economic and legal interests of consumers;
- Promotion of consumer information and education;
- Promotion of the capacity of consumer organisations to contribute at European level.

³ Actions 16 & 17: financial support given to European Consumer Organisations; Action 18: financial contributions for specific projects at Community or national level.

⁴ Communication from the Commission to the European Parliament, the Council, the Economic and Social Committee and the Committee of the Regions COM(2002)208 final.

Actions related to food safety are not covered by this framework.

The types of actions to be undertaken are (Article 4):

- (a) Actions directly implemented by the Commission,
- (b) Actions jointly financed by the Community and one or more Member States,
- (c) Actions which benefit from financial contributions by the Community.

When taking a decision, the Commission will, in accordance with the provisions of Article 15 of Decision 20/2004/EC, be assisted by an Advisory Committee composed of the representatives of the Member States and chaired by the representative of the Commission for the implementation of actions 9, 10, 16, 17 and 18.

2. PROGRAMMING

2.1. General

The budgetary authority has approved a total budget of EUR 20, 2 million for 2005 for the budget lines 17 02 01 and 17 01 04 03. Additional contributions from EFTA countries members of the European Economic Area (Iceland, Liechtenstein, Norway), Bulgaria and Romania will be made during the year.

Budget line	
17 02 01 – Community activities in favour of consumers	€ 19 077 778
17 01 04 03 – Expenditure on administrative management	€ 1 122 222
TOTAL	€ 20 200 000

The budget line “17 01 04 03 – Expenditure on administrative management” will be used for studies, the organisation of workshops and experts meetings, publications, the regular update of the Consumers Affairs web site on Europa⁵, communication actions as well as the maintenance of IT tools and other current expenditure supporting the implementation of the objectives of the programme.

The additional contributions are of 426 220 euros for EFTA countries (EEA members), 112 327 euros for Romania and 45 580 euros for Bulgaria.

2.1.1. Modalities of participation of Bulgaria and Romania in the programme:

The memoranda of understanding were signed by Romania⁶ on the 22nd of October 2004 and by Bulgaria⁷ on the 29th of October 2004. They take effect from the 1st of January 2005 following national ratification.

⁵ http://europa.eu.int/comm/consumers/index_en.htm

⁶ http://europa.eu.int/comm/enlargement/pas/ocp/ocp_docs/consumer_policy/ro_mou_signed_22_10_2004.pdf

⁷ http://europa.eu.int/comm/enlargement/pas/ocp/ocp_docs/consumer_policy/bg_mou_signed_30_09_04.pdf

The participation of Bulgaria and Romania in the programme is subject to special conditions for the following actions (actions indicated in the Decision 20/2004/EC):

- Action 7.1 : participation in this action will be allowed provided that a bilateral agreement between the European Community and Bulgaria or Romania on access to RAPEX has come into force, in accordance with the article 12 (4) of Directive 2001/95/EC of the European Parliament and of the Council of 3 December 2001 ;
- Actions 5, 7.4 and 10 : participation in these actions will be possible provided that the adhesion Treaty has been signed ;
- Actions 9 et 14 : participation in these actions will be allowed provided that Bulgaria and Romania have transposed and implemented Community legislation on consumer protection, and provided that priority is given to launching these actions in the member States who joined European Union in 2004.

2.1.2. Indicative amounts

The amounts indicated in the following chapters are indicative. Some variations of +/- 20% are possible under each chapter.

2.2. Non-food Scientific Committees

The estimated total amount to be financed from the Consumer policy budget lines for 2005 is approximately **EUR 184.950**.

This amount will cover the indemnities of Members of the Scientific Committees, external experts, Associate Members and rapporteurs.

Following the creation of the European Food Safety Agency, the Commission has reorganised the non-food scientific committees, which were established by Commission Decisions 97/404/EC and 97/579/EC.

The indemnities related to the work of the following two Scientific Committees and to co-ordination activities will be financed from the Consumer Policy and Public Health budget lines:

- The Scientific Committee on Consumer products (100% from the Consumer Policy budget line)
- The Scientific Committee on Emerging risks and Newly Identified Risks (50% from the Consumer Policy budget line and 50% from the Public Health budget line)
- Co-ordination activities (50% from the Consumer Policy budget line and 50% from the Public Health budget line)

3. ACTIONS UNDER THE CONSUMER POLICY STRATEGY

The actions and objectives undertaken under the Consumer Policy Strategy are mutually reinforcing. They complement each other. Together they form a critical mass of actions,

which reinforce their leverage effect. The actions therefore often serve more than one objective. In particular this is the case for horizontal actions (see point 4).

3.1. The development of a knowledge-based policy

The estimated total amount for 2005 is **EUR 3,71 million**.

Directorate-General Health and consumer protection will continue to develop its “knowledge-base” of statistics and other qualitative and quantitative data relating to consumers and their concerns. In particular it wishes to develop a more rigorous analysis of the economic impact of consumer policy. The development of such statistical and economic information will help to identify if and where consumer policy action is required and help correctly prioritise action for achieving specific policy aims.

It should also contribute to the better integration of consumer concerns into other policies.

This amount will be dedicated to Eurobarometer surveys, to work on the impact of consumer detriment, to qualitative studies on public opinion, to the development of consumer satisfaction indices, to expenses linked to the strengthening of the statistical knowledge-base for consumer policy, to the updating of the publication “Consumers in Europe – facts and figures” and the collection of data useful for the future orientation of the passengers’ rights policy. It will be spent through calls for tender launched during the first semester, the use of Directorate-General Press and communication framework contract and through sub-delegation of funds to DG TREN.

About eight contracts will be awarded for these activities (of which two by EUROSTAT and one by DG TREN who will both receive a sub-delegation of funds from SANCO). Among these, two “Eurobarometer” surveys will be contracted through the use of the DG PRESS framework contracts for opinion survey tools.

3.2. Objective 1: A high common level of consumer protection

The total estimated amount for Objective 1 is **EUR 850 000**.

The actions include:

- technical assessments on safety standards, the examination of risks caused by certain substances in products and other activities relating to the application of the General Product Safety Directive (to be spent through the year with the use of the existing framework contract for the technical evaluations),
- the projects CHEMRISK and CHEMTEST which aim at developing measurement technologies for the release of chemical substances out of products (to be spent with two administrative agreements with the Joint Research Center in the second and fourth quarter of 2005),
- an analysis of the impact of Directive 2002/65 on the distance selling of financial services between businesses and consumers in the internal market (to be spent following a call for tender in the last quarter of the year).

3.3. Objective 2: Effective enforcement of consumer protection rules

The total estimated amount for Objective 2 is **EUR 5 585 000**.

Various types of actions are foreseen:

a) informatics tools and technical assistance (estimated total amount for a) and b) is 1 085 000 euros in total).

Foreseen actions are the development of informatics tools for market surveillance of consumer products covered by the General Product Safety Directive, the notification of dangerous products by businesses, the new help network for consumers, the European network of assistance to consumers (administrative co-operation) and, *if need be*, the development of a technical assistance capacity to the RAPEX system for the testing of consumer products.

- market surveillance of consumer products covered by the General Product Safety Directive (“IT tool RAPEX version 2”, with the use of the informatics framework contract of DG SANCO),
- development of an informatics tool for the notification of dangerous products by businesses (“GPSD business”, with the use of the informatics framework contract of DG SANCO),
- development of an informatics tool for the help network for consumers (“IT tool merged network”, with an administrative agreement with the Joint Research Center),
- development of an informatics tool for the European network of assistance to consumers (“IT tool Consumer Protection Cooperation”, with a call for tender or with the use of the informatics framework contract of DG SANCO),
- *if need be*, technical assistance capacity to the RAPEX system for products tests.

The amount corresponding to the various informatics tools and the technical assistance will be spent all through the year.

b) dispute resolution (estimated total amount for a) and b) is 1 085 000 euros in total)

- A comparative analysis of the different redress mechanisms is foreseen. The expense will be made following a call for tender to be launched during the third trimester 2005.

c) Community network providing information and assistance to consumers (estimated amount: 3 900 000 euros)

- See paragraph 3.3.1.

d) Actions for Market surveillance (estimated amount: 600 000 euros)

- See paragraph 3.3.2.

3.3.1. Financial contributions to the Community network providing information and assistance to consumers (Decision 20/2004/EC, Action 9)

The estimated total amount is **EUR 3,9 million**.

This amount will be allocated to the European support network for consumers, resulting from the merger in 2004 of the networks of the European Consumer Centres (“Euroguichets”) and the EEJ-Net Clearing Houses. In accordance with article 7.1 of Decision 20/2004/EC mentioned above, these bodies are designated by the Member State and approved by the Commission.

These centres are active in the 15 “old” member States, as well as in Norway and Iceland. Progressively, structures will be established in the 10 recent member States. These bodies are co-financed by the national authorities and by the Community.

The European financial contribution is in the form of an annual grant up to 50% of eligible expenditures. As for the new structures in the recent Member States, they could be eligible, for the first two years of activity, for a maximum financial contribution of 70%.

3.3.2. Financial contributions for specific joint surveillance and enforcement actions to improve administrative and enforcement cooperation (Decision 20/2004/EC, Action 10)

The estimated total amount is **EUR 600 000**.

For 2005, it is planned to award financial contributions to surveillance and enforcement authorities and other non-profit-making bodies designated by the Member States and agreed by the Commission, for joint surveillance and enforcement actions in the area of consumer product safety, involving administrative co-operation between the authorities or other bodies of several Member States in particular on risk assessment, product testing, market monitoring, collection and exchange of information on product risks and dangerous products.

In April 2005, the Member states will be invited to present proposals for such joint actions within the framework of the Committee established by Directive 2001/95/EC (General Product Safety).

The contribution will, in principle, be 50% and in no event exceed 70% of the total cost of the action. Financial contributions of more than 50% and up to 70% are due for projects aimed at establishing lasting procedures, structures or systems for facilitating the exchange of information and collaboration between surveillance and enforcement authorities of at least eight Member States.

3.4. Objective 3: Involvement of consumer organisations in EU policies

The total estimated amount for Objective 3 is: **EUR 6,33 million**.

This total amount is allocated for:

- a call for proposals for financial support for the activities of European consumer organisations - estimated amount: EUR 2,6 million (see paragraph 3.4.1);

- one or more information campaigns in the new Member States - estimated amount: EUR 1,67 million (see point 3.4.2).
- calls for tender mainly related to education and capacity-building projects such as training for consumer organisations - estimated amount: EUR 2,04 million ;
- maintenance costs for the database on consumers associations in the European Union (20 000 euros).

3.4.1. *Financial contributions to the functioning of European consumer organisations (Decision No 20/2004/EC, Actions 16 and 17)*

As indicated in Art.12 of Decision 20/2004/EC, the Commission will publish during the second quarter of 2005 calls for proposals for both Actions in the Official Journal of the European Union and on its Internet site describing the areas for funding and setting out the selection and award criteria and the procedures for application and approval.

The renewal of the financial contributions to eligible organisations that in the preceding year have actively and effectively represented consumer interests will *not* be subject to the rule of gradual decrease as precised in Article 6 of Decision 20/2004.

3.4.1.1. European Consumer Organisations (Decision 20/2004/EC, Action 16)

The estimated amount for 2005 is **EUR 1,3 million.**

Financial support for annual activities may be awarded to European consumer organisations which:

- 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 and economic interests of consumers in the Community, and
- have been mandated to represent the interests of consumers at Community level by national consumer organisations in at least half of the Member States that are representative of consumers, in accordance with national rules or practice, and are active at regional or national level;
- have provided to the Commission satisfactory accounts of their membership, internal rules and sources of funding.

The financial support may not, in principle, exceed 50 % of the expenditure involved in carrying out eligible activities. The selection and award criteria are detailed in Annex 1.

3.4.1.2. European Consumer Organisations representing consumer interests in the development of standards for products and services at Community level (Decision 20/2004/EC, Action 17)

The estimated amount for 2005 is around **EUR 1,3 million.**

Financial support for annual activities may be awarded to European consumer organisations which:

- are non-governmental, non-profit-making, independent of industry, commercial and business or other conflicting interests, and have as their primary objectives and activities to represent consumer interests in the standardisation process at Community level, and
- have been mandated in at least two-thirds of the Member States to represent the interests of consumers at Community level:
 - (a) by bodies representative, in accordance with national rules or practice, of consumer organisations in the Member States, or in the absence of such bodies
 - (b) by national consumer organizations in the Member States that are representative of consumers, in accordance with national rules or practice, and are active at national level.

The financial contributions will not exceed 95% of the expenditure for carrying out eligible activities. The selection and award criteria are detailed in Annex 2.

3.4.2. Information campaigns (Decision 20/2004/EC, Action 14).

The estimated amount is **EUR 1, 67 million**.

It is proposed to launch, in the 2nd quarter of 2005, a call for tender for the total amount of **1,6 million euros**, for the organisation of information campaigns in one or more new Member States in co-operation with consumer organisations, in order to raise awareness of consumer rights.

Eurobarometer surveys will be launched to evaluate the impact of the information campaigns. The amount, estimated to **70 000 euros**, will be spent through the use of the framework contracts managed by the Directorate-general Press and Communication.

3.4.3. Education and capacity-building projects (Decision 20/2004/EC, Actions 13 and 15)

The estimated amount is: **EUR 2,04 million**.

Consumer education is becoming increasingly an integral part of a comprehensive consumer policy that aims at building consumer awareness and confidence.

In 2003 a call for tender was launched for the organisation and implementation of training sessions for professionals of consumer organisations. In 2005, three sessions each composed of three “modules” (management, lobbying, EC law) will be organised. The estimated amount for these actions is approximately **EUR 440 000**. It will be spent through the use of the existing framework contract in DG SANCO.

An amount of **EUR 1,6 million** will be also allocated to the second edition of the “Europa Diary” dealing with consumer issues. Because of the success of the 1st edition, it is planned to distribute a minimum of 810.000 copies in 8.000 schools in the 25 Member States in

May/June 2005. The amount will be spent through an amendment to the initial contract signed in 2003.

4. HORIZONTAL MATTERS

The estimated total amount is **EUR 2,96 million**.

4.1. Evaluations (Decision 20/2004/EC, Action 19)

The amounts allocated for evaluations are estimated at **EUR 300.000**. Two evaluations are foreseen (one in the first semester; the other one in the second semester) for which open or restricted (with use of the AMI list) calls for proposals will be used.

Among these two evaluations, an external evaluation will be launched during the first semester to assess the impact of the Europa Diary (with use of the “AMI list”).

4.2. Financial contributions for specific projects at Community or National level (Decision 20/2004/EC, Action 18)

A call for proposals will be published in the second quarter of 2005. The estimated amount is **EUR 2,5 million**.

Decision 20/2004/EC foresees that financial support may be given to any legal person or association of legal persons, including appropriate independent public bodies and regional consumer organisations that acts independently of industry and commerce and is directly responsible for the implementation of the projects. For the requests for financial contributions for specific projects which will be presented following the 2005 Call for projects, the selection and award criteria are set out in Annex 3.

4.3. Events organised by the Presidencies of the Union

EUR 160 000 is allocated for events⁸ under EU Presidencies.

5. SUB-DELEGATIONS AND ADMINISTRATIVE AGREEMENT

Articles 51 and 59 of the Financial Regulation and Articles 6 to 8 of the Internal Rules on the implementation of the general budget of the European Communities⁹ refer to the conditions and rules of the instrument of sub-delegation.

Some credits available on the budget lines “Consumer Protection” will be sub-delegated. Directorate-General Health and consumer protection will thus sub-delegate:

- **EUR 220 000** to Eurostat for costs linked to the strengthening of the statistical knowledge base for consumer policy and for the updating of the publication of “Consumers in Europe - Facts and figures”.

⁸ Co financed by the Presidency

⁹ Commission Decision of 28 March 2003 on the Internal Rules on the implementation of the general budget of the European Communities

- **EUR 150 000** to Directorate-general Energy and transport for a research (information and data collection) useful for the future orientation of the passengers' rights policy in the different transport modes.

In the context of an administrative agreement between Directorate-General Health and consumer protection and the Joint Research Centre¹⁰, contracts will be signed with the latter for the development and/or the maintenance of certain IT tools for a total amount of **EUR 650 000**.

¹⁰ Administrative agreement n° B5-1000/03/000311

**FINANCIAL CONTRIBUTION TO THE FUNCTIONING OF
EUROPEAN CONSUMER ORGANISATIONS**

*Decision 20/2004/EC of the European Parliament and of the Council
of 8 December 2003, Article 7(2), Action 16*

I. SELECTION CRITERIA

The selection criteria make it possible to assess the applicant's financial standing and operational capability to complete the proposed work programme.

The applicant must have access to sound and adequate funding sources, so as to be able to maintain activities for the duration of the project for which the grant is awarded. The applicants must therefore:

- attach in support of the application a copy of the annual accounts of the organisation that they represent (last financial year for which the accounts have been closed preceding the submission of the application). For grant applications from new European organisations, applicants must produce the annual accounts of the organisations that are members of the new body (last financial year before the submission of the application for which the accounts have been closed);
- submit a detailed balanced expenditure/revenue estimated budget for the organisation;
- specify the contribution made by each member;
- attach an external audit report produced by an auditor approved for operational grant applications in excess of EUR 75 000.

Only organisations with the necessary operational resources, skills and professional experience may be awarded a grant. The following information must be provided in support of the application:

- the organisation's most recent annual activity report. For newly-constituted organisations, the curriculum vitae of the members of the management body and the annual activity reports for the member organisations of the new body;
- any references concerning participation in European Commission-funded activities, the conclusion of grant agreements, the conclusion of contracts with the Commission or other international organisations and Member States.

II. AWARD CRITERIA

The award criteria make it possible to select work programmes that can guarantee respect for the Commission's objectives as precised in the Consumer Policy Strategy 2002-2006¹¹ and can raise the profile of Community financing.

Work programmes submitted with a view to obtaining Community financing must therefore:

- be consistent with the objectives of European consumer policy;
- contribute to the incorporation of consumer interests in other Community policies;
- contribute to strengthening the representation of consumer organisations in the new Member States;
- reflect activities by the organisation that are intended to represent consumers' interests and express their concerns to institutions and interest groups, as well as to the media and the general public;
- reflect activities by the organisation that are intended to mobilise its members to encourage them to take a more active stance on European issues with their various partners at European and national level;
- raise the general profile of the organisation and of its activities.

In order to be selected, work programmes must score a minimum of 70%. Each criterion must be met and the minimum score is at least 50% of points.

The work programme must be clear, realistic and well detailed, particularly in respect of the following aspects:

- clarity of the objectives and their suitability for the desired results (20%);
- description of the planned activities and schedule (20%).
- good cost-effectiveness ratio (and thus demonstrate the consistency between the budget and the resources used) (40%).
- provide for assessment mechanisms and demonstrate how the result indicators used will make it possible to verify that the objectives of the work programme have been attained (20%).

¹¹ Communication of the Commission to the European Parliament, the European Social and Economic Committee and the Committee of Regions, COM (2002) 208 final.

**FINANCIAL CONTRIBUTION TO THE OPERATION OF CONSUMER ORGANISATIONS AT
EUROPEAN LEVEL REPRESENTING CONSUMER INTERESTS IN THE DEVELOPMENT OF
STANDARDS FOR PRODUCTS AND SERVICES AT COMMUNITY LEVEL**

*Decision 20/2004/EC of the European Parliament and of the Council of
8 December 2003, Article 7(3), Action 17*

I. SELECTION CRITERIA

The selection criteria make it possible to assess the applicant's financial standing and operational capability to complete the proposed work programme.

Only organisations that are able to guarantee their operations may receive a grant. The applicants must therefore:

- attach in support of the application a copy of the annual accounts of the organisation that they represent (last financial year before the submission of the application for which the accounts have been closed). For grant applications from new European organisations, applicants must produce the annual accounts of the organisations that are members of the new body (last financial year before the submission of the application for which the accounts have been closed);
- submit a detailed balanced expenditure/revenue estimated budget for the organisation;
- attach an external audit report produced by an auditor approved for operational grant applications in excess of EUR 75 000.

Only organisations with the necessary operational resources, skills and professional experience may be awarded a grant. The following information must be provided in support of the application:

- the organisation's most recent annual activity report. For newly-constituted organisations, the curriculum vitae of the members of the management body and the annual activity reports for the member organisations of the new body;
- any references concerning participation in European Commission-funded activities, the conclusion of grant agreements, the conclusion of contracts with the Commission or other international organisations and Member States.

II. AWARD CRITERIA

The award criteria make it possible to select work programmes that can guarantee respect for the Commission's objectives as precised in the Consumer Policy Strategy 2002-2006¹² and can raise the profile of Community financing.

Work programmes submitted with a view to obtaining Community financing must therefore:

- be consistent with the objectives of European consumer policy in respect of consumer representation in standardisation work;
- reflect activities by the organisation that are intended to represent consumers' interests and express their concerns in respect of standardisation to institutions and interest groups, as well as to the media and the general public;
- reflect activities by the organisation that are intended to mobilise its members to encourage them to take a more active stance on standardisation issues with their various partners at European and national level;
- raise the general profile of the organisation and of its activities.

In order to be selected, work programmes must score a minimum of 70%. Each criterion must be met and the minimum score is at least 50% of points.

The work programme must be clear, realistic and well detailed, particularly in respect of the following aspects:

- clarity of the objectives and their suitability for the desired results (20%);
- description of the planned activities and schedule (20%).
- good cost-effectiveness ratio (and thus demonstrate the consistency between the budget and the resources used) (40%).
- provide for assessment mechanisms and demonstrate how the result indicators used will make it possible to verify that the objectives of the work programme have been attained (20%).

¹² Communication of the Commission to the European Parliament, the European Social and Economic Committee and the Committee of Regions, COM (2002) 208 final.

**ACTIONS PROVIDING FINANCIAL SUPPORT FOR SPECIFIC PROJECTS CARRIED OUT
AT COMMUNITY OR NATIONAL LEVEL IN SUPPORT OF CONSUMER POLICY**

OBJECTIVES

*Decision 20/2004 of the European Parliament and of the Council of
8 December 2003, Action 18*

I. FINANCIAL CONTRIBUTIONS IN EXCESS OF 50%

Financial support cannot in principle exceed 50% of the amount of expenditure linked to the implementation of the eligible activities. However, under Article 6(5) of the Decision, a Community contribution of up to 75% may be made towards the cost of the action for certain projects to be defined by the Commission.

For the period 2004-2007 the Commission proposes to give priority to projects involving consumer organisations from the new Member States. In 2005, eligible projects for a Community contribution of up to 75% must:

- be proposed by consumer organisations from the new Member States; and
- involve as partners, consumer organisations from at least three other Member States; and
- aim at speeding up the effective application of the *acquis communautaire* on consumer protection in the new Member States.

II. SELECTION CRITERIA – FOR FINANCIAL CONTRIBUTIONS OF 50% AND UP TO 75%

The selection criteria make it possible to assess the applicant's financial standing and operational capability to complete the proposed work programme and to have assurances that the applicant has access to sound and adequate funding sources, so as to be able to maintain activities for the duration of the project.

The applicant must provide information on his qualifications and professional experience, by supplying in particular his most recent activity report, the project manager's curriculum vitae and any references concerning participation in European Commission-funded activities, agreements or contracts concluded with other international organisations and Member States.

As evidence of his financial capacity, the applicant must provide the following:

- a copy of the annual accounts of the organisation applying for the grant (or annual budget if public organisation) for the last financial year for which the accounts have been closed preceding the submission of the application;
- a certificate showing that he has own resources;

- a declaration signed by all the partners who will contribute to the project;
- a detailed estimated budget, including the role of partners;
- an external audit report produced by an approved auditor where the amount to be funded is more than EUR 300 000.

III. AWARD CRITERIA – FOR FINANCIAL CONTRIBUTIONS OF 50% AND UP TO 75%

After applying the selection criteria, the Commission will make its selection on the basis of the award criteria which enable it to verify the quality of both the proposed activity and the application. *Fuller explanations for the criteria will be provided in the call for proposals and explanatory guide.*

In order to be selected, projects must score a minimum of 70 points in total and get for each criterion at least half of the points attributed to that criterion.

The project must:

- Contribute to the achievement of EU consumer policy objectives, as set out in Article 3 of Decision No 20/2004 and as developed in the Commission’s Consumer Policy Strategy for 2002-2006. (10 points)
- Demonstrate extensive coverage both of the Member States and of the citizens of the EU (20 points):
 - For projects seeking a maximum of 50% EU funding, to attain the minimum necessary score of 10 points for that criterion, projects must involve the active participation of consumer organisations that are active in at least half of the Member States (i.e. 13), and in at least three “new” Member States.
 - For projects seeking a maximum of 75% EU funding, fulfilment of the eligibility criteria of the involvement of consumer organisations from, in total, at least four Member States is sufficient to attain 10 points for that criterion;
 - All projects should provide for extensive dissemination of results to EU citizens and other stakeholders.
- Demonstrate effective, balanced and sustainable cooperation between the various partners. The project should demonstrate a significant contribution in respect of planning, implementing and disseminating activities and financial participation from all partners (20%);
- Demonstrate a significantly positive cost-effectiveness ratio (20 points);
- Demonstrate a clear and realistic work programme (30 points): the organisation of the activity must be well detailed, particularly in respect of the following aspects:
 - clarity of the objectives and suitability for the desired results;
 - clear indicators to measure the achievement of the objectives

- schedule for the activity,
- proposed methodology;
- dissemination plan, indicating its scope and effectiveness:
- the role, tasks and budget of all partners in the project;
- an ex-post evaluation of the project against its objectives and indicators.