

**Intermediate evaluation of
European consumer centres' network
(Euroguichets)**

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Final Report
Part I: Main Report

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1. Executive Summary

An intermediate evaluation of the European consumer centres' network (Euroguichets) has been performed to assess their effectiveness and efficiency individually and as a network. The evaluation covers all existing 15 centres, which are located in 13 of the 15 old EU Member States. Only in the Netherlands and Denmark presently no ECC exists, in Germany and Spain there are two. The evaluation covered specific evaluation items such as how the specific national organisational set-ups affect the performance of individual ECCs and to what extent proximity to the consumers is necessary. Additionally, recommendations were to be developed to support a sound and efficient management of the action by the Commission. The latter is of great importance as the network is bound to be extended to the new Member States and is already in the process of being merged with the European Extra-Judicial network (EEJ-Net). The evaluation employs the CIVIC FUNCTIONAL EVALUATION methodology, in which the performance of individual ECCs is analysed according to distinct functions, including consumer assistance, information and promotion, research and networking. The evaluation is based on a survey and evaluation visits to all ECCs. The integration of the centres in the national systems of consumer protection has been assessed through extensive, semi-structured interviews with relevant stakeholders in all countries visited (e.g. consumer organisations, consumer protection agency etc.). The evaluation report consists of two parts: The main evaluation report, which includes an analysis of performance by function and recommendations for the network (part I); and the individual evaluation reports for all centres with additional, specific recommendations (part II).

1.1 Performance of the network

The 15 European Consumer Centres subject to this evaluation are far from being a homogenous group. Major differences include the institutional set-up (independent entity or part of hosting body) and the type of hosting body (governmental agency or consumer organisation or fully independent). The differences between ECCs are reflected also in the size of the budget, reaching from less than 200 000 Euro in the case of ECC Bolzano to more than 600 000 Euro in the case of the ECC London (including CH-funds and the national contribution). Consequently, also the number of full time equivalent posts differs, from 3 full time posts in the ECC Düsseldorf/Gronau to 10 in the ECC London/Wolverhampton. Eight of the 15 ECCs are already merged with the Clearing House of the EEJ-Net. These ECCs also received funds for the CH function, which have been included in all figures, as in these cases a separation between ECC function and CH-function proved sometimes to be difficult in practice. However, the evaluation of these combined ECCs and CHs does not attempt to analyse the CH role.

At the first level of analysis, the performance of the network as a whole was scrutinised. For each function of the ECCs, the objectives laid down in the Consumer Policy Strategy 2002-2006 were compared with the actual performance of the network. Main conclusions were:

- **Consumer assistance:** This is in terms of staff time the main function of the ECC network (typically taking between 40% and 70% of staff time of the ECCs). The network achieves its objective to provide individual consumers with assistance and advice and to support consumers to make better use of

the internal market. Case handling witnessed in ECCs documents a high professional level of advice. However, due to various reasons there is a lower degree of cross-border orientation in five of the ECCs (see table on the next page). In 2003, the average costs of consumer assistance through the ECC network was approximately 36 Euro per case (including staff and other fixed costs). However, when only cross-border cases are taken into account this figure rises to 94 Euro. These amounts include the funds provided by the national counterpart. In spite of these relatively high costs, most ECCs services related to the assistance function are generally provided for free (with some minor exceptions). For more information on this function please refer to section 7.4.

- **Information and promotion:** This is the second most important function of the ECCs, taking typically between 10% and 20% of staff time. The ECC network achieves its objective to provide information on legislation and on case-law both at the European and the Member State level and support the better use of the internal market. All ECCs perform public relations activities directed to the media, with a median of 65 activities in 2003. The rate of response to media activities of the ECCs indicates a high level of quality of PR. The median response rate of all ECCs is 0,77. This means that 100 PR activities led to 77 news items in which the ECC is mentioned. In total, media activities by the network led to at least 1 058 news items in which the ECCs were mentioned in 2003 (this figure does not include UK and Finland, where no data was available). The average cost to initiate a news item was approximately 681 Euro. Time invested by ECC staff to produce a total of 61 printed leaflets (up to 6 pages) and 31 brochures (with 7 or more pages) has been included in this figure. This seems to be fair, as most publications also produce media coverage. More details are given in section 7.5.
- **Other functions:** In most cases not more than 5% to 10% of staff working time was used for each of the functions consumer education, research and networking. *Educational activities* have a low priority for most ECCs. In total, all ECCs organised 286 educational activities, excluding activities by the ECC Vitoria, which with the help of a subcontractor organised a total of 292 workshops and other activities. In 2003, the average cost of an educational activity for the network was approximately 1 073 Euro (excluding ECC Victoria). Network *research* such as the reports on e-commerce and timeshare as well as cross-border price comparisons contributed significantly to provide publicity to the network. The network achieves its objective to provide consumers with the results of research to support them in making better use of the internal market and to give feedback to the Commission on market problems. However, the research activities sometimes seemed to have a certain level of arbitrariness and lack of focus. In total ECCs contributed 56 times to topical studies, differing widely and including one-page research and reports of over 50 pages. In 2003, the average cost of having an ECC involved in a topical study was approximately 4 500 Euro. Main results of the assessment of the *feedback and networking* function include that there is a significant high level of network activities, both case-related and not case related and both formal and informal. In total nearly 2000 cases of co-operation in the ECC network related to consumer complaint cases were reported for 2003. The total number of cases of co-operation with the EEJ-Net was approximately 500, with the Fin-Net just under 50. The network does, therefore, achieve its objective of network cooperation. More information on these functions is given in sections 7.6 to 7.8.

1.2 Performance of individual ECCs

To assess the performance of the individual ECCs, the output of each ECC in terms of a specific function in 2003 (e.g. the number of consumers assisted) was put into relation to the number of full time equivalent posts dedicated to this function and then compared to the median value of all ECCs. This approach allows a fair comparison of ECCs, as differences in staffing and the variations in the distribution of total working time are taken into account (for details see section 4). The calculated performance levels were validated during the evaluation visit and adjusted, if necessary. The following four levels of performance were differentiated:

Excellent performance – performance per full time equivalent post is higher than 1.5 times the median value of all ECCs;

Average performance – performance per full time equivalent post is between 1.5 times the median and 0.5 times the median;

Less than average performance – performance per full time equivalent post is lower than 0.5 times the median;

Unacceptable performance – performance per full time equivalent post is lower than 0.5 times the median and the evaluation visit found significant shortcomings in the professional level of operations.

The results of the assessment per function is given in the table below.

Performance of individual ECCs in 2003

ECCs with a higher degree of cross-border orientation										... lower degree of cross-border orientation				
ECC (2003 data)	Barcelona	Bolzano	Brussels	Dublin	Düsseldorf	Kiel	Lille	Luxembourg	Stockholm	Vienna	Athens ²⁾	Helsinki	London	Lisbon	Vitoria ³⁾
Country	E	I	B	IRL	D	D	F	L.	S	A	GR	FIN	UK	P	E
Key data															
Full time eq. posts	7.5	4.5	7.1	6.5	3.1	4.0	5.9	4.5	5.2	5.1	4.5	6.2	10.2	9.0	5.4
Number of cases	2461	1417	5493	5739	3365	6174	1492	2181	2369	3421	452	6829	492	8068	17859
Cross-border cases	22%	91%	68%	24%	95%	74%	100%	99%	85%	99%	9%	8%	?	4%	3%
Performance (per full time equivalent post)															
Assistance (number of all cases)	++	+	+++	+++	+++	+++	+	++	++	++	(+)	++	No data	++	++*
Assistance (cross-border cases)	+	++	+++	++	+++	+++	++	+++	+++	+++	(+)	+	+	+	+
Information & Promotion (news items)	+	+++	++	+++	+++	+++	+	++	+++	+++	++*	No data	No data	+	+
Consumer Education	+	¹⁾	+++	++	¹⁾	+++	+	++	++	+++	++	++	++	+	++*
Research (topical studies)	++	++	++*	++	+++*	++	++	¹⁾	++*	++	++	¹⁾	No data	++	++

- +++ = Excellent performance
- ++ = Average performance
- + = Less than average performance
- = Unacceptable performance

- 1) Less than 2% of staff time used for function.
- 2) Preliminary, first year of operation.
- 3) Including activities of subcontractors.
- * Performance indicator adjusted on basis of evaluation visit (see individual reports, part II).

The table illustrates that **eight of the ECCs have an excellent performance with respect to at least one function** (Bolzano, Brussels, Dublin, Kiel, Düsseldorf, Luxembourg, Stockholm and Vienna). The remaining ECCs are performing less than average in certain areas but often this is counterbalanced by better performance in other areas. **None of the ECCs performs less than average in all areas** and none of the ECCs shows a fully unacceptable performance for any function. However, even with these positive general conclusions the evaluation showed also some weaknesses and significant potentials for improvement. To identify these potentials the performance of the individual ECCs was related to institutional criteria, which were assessed during the evaluation visit. Institutional criteria include the institutional set-up of the ECC, the relative autonomy reflected by the degree of formal separation from its host structure (where it exists), the geographic area of its activity (whether rather national or regional), the ECC's orientation on genuine European and cross-border issues, its integration into the ECC-network and, finally, its integration into the respective national system of consumer protection. An assessment of these criteria is presented in a more detailed table in section 4 and in the individual evaluation reports for each centre (part II of this report). It leads to the following results: ECCs can have an excellent performance in one or more function with all types of institutional set up. Whether the hosting body is a consumer organisation, a government body or whether the ECC has a separate legal identity seems to be of secondary importance (this question of institutional set up is discussed in detail in section 6). Other factors seem to be more relevant:

- ⇒ There seems to be a strong correlation between a higher degree of cross-border orientation and performance. Eight of the ten ECCs with a higher degree of cross-border orientation have an excellent performance in at least one function, but none of the five ECCs with a lower degree of cross-border orientation. Whether a strong cross-border orientation leads to better performance or is only a symptom is difficult to decide. However, some indications exist that a higher degree of cross-border orientation is really the determining factor.
- ⇒ Most ECCs with an excellent performance in at least one function tend to have a higher degree of separation from their hosting organisation. All five ECCs with a high degree of separation from the host body or without a host body at all have also an excellent performance in at least one function. On the contrary, none of the three ECCs with a low degree of separation from the host body have an excellent performance in any function.
- ⇒ A higher integration in the ECC network is also correlated to performance. Two of the three network "hubs" (Düsseldorf/Gronau and Stockholm) also have an excellent performance in at least one function, whereas none of the three ECCs with a low integration in the network (Lille, Athens and Vitoria) have an excellent performance in any function.

1.3 General recommendations

Based on the results of the evaluation of the network of European Consumer Centres it is proposed to develop the ECC network along the following principles. Each of the principles is related to a set of recommendations.

Having a clear focus on European issues and cross-border complaints

During more than ten years of existence the mission of the ECC network was redefined several times. For example, the Consumer Policy Action Plan 1999-2001 stressed the changing role of the ECCs from the “original concept as sources of information ... on purely cross-border issues” to “suppliers of information and education ... on the full range of consumer issues”. Since this time, the development of the internal market, the introduction of the Euro and the increase in online-shopping has, among others, led to an increasing demand for cross-border assistance as is experienced in many of the ECCs. This in turn led to the emergence of a clearer profile of the network, informing consumers in the whole country on a variety of topics with European relevance and providing assistance to them in cross-border cases. Recent Commission documents such as the Vademecum have led to a clarification, and two thirds of the ECCs are already operating accordingly. However, a more precise definition of the focus of the ECC network will ease the transition process for the remaining ECCs. This leads to the following recommendations:

- ⇒ The focus of ECC functions should be exclusively on cross-border issues and on topics with a clear European dimension. A preliminary definition for what precisely constitutes a topic with a clear European dimension is given in the box in section 8.
- ⇒ The group of nationally oriented ECCs should be given a clearly defined transition period in which to adapt. In this transition period national assistance should only be given in cases which are also relevant for cross-border assistance such as timeshare, tourism, e-commerce etc.

Creating ECCs which are more independent from their hosting structure

Presently, in some of the existing ECCs a number of problems were found which are all related to the fact that the ECC is not a well-defined entity setting its own priorities. Among the problems were that staff is located in a number of offices on the premises of the hosting body without being a clear functional unit. Sometimes overlap exists between personnel of the hosting body and ECC personnel. And finally, in some cases the authority of the director is not clearly enough defined. This leads to the following recommendations:

- ⇒ All ECCs should have separate premises inside or outside the hosting body. An ECC should not have more than one branch office, which should have the size needed to be functional. No overlap should exist between staff of the hosting body and ECC staff. ECC staff should have full time or part time positions of at least 50% of a full time position.
- ⇒ The ECC should define clear job descriptions for each staff member. The job description should be presented with the annual working plan. The ECC Director should have full management responsibility of staff and finances. ECC directors should be proposed by the hosting body and shall only be appointed *with approval* of the European Commission.

Building a stronger network with its own identity

The ECC network is characterised by a high level of network activity which indicates that it is well functioning. However, there are also a number of factors which impede its further development, such as the lack of a mechanism for representation for planning purposes, the expression of network interests and for conflict management inside the network. Although case related cooperation works well there is also a lack of clear network procedures and a common forum such as an intranet. This leads to the following recommendations:

- ⇒ In order to give the network more identity and to improve the quality of the services provided by the network it is recommended to establish a network coordinating board, consisting of representatives (the director or other core staff) of three ECCs, which liaises with the responsible Commission official(s) in between the network meetings. Tasks of the board could include the handling of internal complaints with respect to individual ECCs, coordination of information materials, organisation of internships and mentoring between ECCs and joint preparation with the Commission of the agenda for network meetings. The coordinating board should also organise ad hoc working groups for specific network activities to develop e.g. draft PR and research strategies and case-handling procedures for the network.
- ⇒ An intranet for the ECCs should be developed to ease information exchange and provide access to all information resources which are relevant for the network. The intranet could be developed and managed on a project basis by one of the ECCs (or by another appropriate body).
- ⇒ The present programme of mentoring should be extended and focus on specific functions. Mentoring should be complemented with an internship programme, especially but not exclusively for staff of the ECCs of new Member States.
- ⇒ One full time EC official should be appointed as contact person for the ECC network.

Improving accountability and reducing the administrative burden

ECCs have to work in very different national frameworks and therefore need a certain degree of independence in using their budget. On the other hand, strict EC budget rules require a high level of accountability, leading to ECCs having to provide a very detailed working programme in advance which reduces their flexibility. Therefore, the following recommendations are given:

- ⇒ The European Commission should sign longer contracts with the hosting body of the ECCs, e.g. through establishing framework partnership agreements. The preferred time span for such an agreement is three years, the minimum duration should be two years.
- ⇒ The ECCs should deliver annual work plans which, rather, define the type of activity in general terms than the activity itself. This would allow for more flexible expenditures and still would give sufficient financial control. For this reason, annual budgets should be transparent and allow to assess inputs for each specific function.

- ⇒ The hosting body should receive an appropriate reimbursement of overhead costs related to hosting the ECC. Therefore, all ECCs should be encouraged to include in the budget overheads of up to 7% of total eligible costs for the action in line with Article 181 of the Implementation Rules.

Performance and demand oriented funding

Until now, most ECCs have roughly similar financial resources, disregarding the size of the country and the demand for assistance. It is foreseeable that this policy will cause problems, because individual cross-border activities of consumers and, as a consequence of this, cross-border consumer disputes may be expected to increase steadily. Presently, the rather uniform budget leads to distortions. The question of demand and capacity has extensively been discussed in section 6. Also, performance of an ECC is presently not reflected in its funding. This leads to the following recommendations:

- ⇒ The budget of the ECC should include components depending on demand and performance. It is proposed to provide all ECCs with sufficient funds to equip and employ a uniform core staff of at least four (director, advisor/legal expert, press officer, researcher/administrator). Maximum ceilings for staff costs should be set according to average staff costs per country. More staff capacity should depend on the demand expressed through documented cross-border cases handled by ECC staff during the last year and the possible maximum demand depending on population size, frequency of cross-border shopping and tourism (see section 6). Depending on demand additional advisers could be financed. The maximum figures should be adapted according to the development of total demand.
- ⇒ There should be an upper limit for activity related costs. As higher activity related costs have not proven to be cost-effective, there should be an upper limit for activity related costs. The maximum figures should be also adapted on a regular basis to rising costs for, e.g. printing of brochures. However, there should be additional funds for specific projects. Larger projects in the area of research or PR may easily involve higher costs than could be paid from the core budget.

Please note that this is only a summary of recommendations given in the sections 7 and 8. Additional recommendations are given in the individual evaluation reports for each ECC (part II of this report).

2. Introduction

2.1 The European Consumer Centres network

2.1.1 Mission of the European Consumer Centres

The European Consumer Centres (ECC) or *Euroguichets Consommateurs* represent one of the answers to crucial new consumer problems which arose with the development of the European Union in general and with the completion of the Single Market in particular. With some of the major barriers to cross-border shopping being removed (e.g. border controls), consumers began hesitatingly to use their new freedom. They began first by purchasing goods and services in an enlarged region which included the nearest located providers across the border, later – and especially with the development of the Internet – they also considered offers from far away dealers in different EU Member States. Despite the progress of the Single Market, consumers who engaged in cross-border shopping or just sought to do so found themselves confronted with new problems:

- In the case of after-sales-conflicts with foreign sellers the existing national consumer advice or arbitration institutions were usually not very helpful, lacking the necessary familiarity with the legal and judicial structures in the countries concerned;
- Orientation on the advantages and/or disadvantages of cross-border shopping and transactions in certain business areas was difficult to find. When existing, its scope was not at all comparable with corresponding information systems at the national level, such as comparative testing, personal consumer advice etc. As a result, it was difficult to convince consumers that individual cross-border activities might improve the purchasing power of their money and enlarge their possibilities of choice. Even after the introduction of the Euro, only a small minority of consumers is regularly using the possibilities of the Internal Market.¹

In the early 1990s, the European Commission launched the establishment of European Consumer Centres in order to increase consumer confidence in the Single Market and to encourage consumers to engage individually in cross-border transactions. The Commission's initiative was accompanied by similar activities by other organisations, e.g. the consumer guides of the former Institut Européen Interrégional de la Consommation (IEIC) and studies on cross-border money transfer costs or on the accessibility of mail-order companies from abroad realised by BEUC. In addition, the Commission launched some information campaigns by publishing the first European consumer guides.

Of course, nobody expected an immediate and fundamental change in long-established consumer habits by building up the ECCs. It was not even considered necessary that a majority of European consumers be ready to engage regularly in cross-border shopping (from time to time they do it anyway during their vacations or so-called recreational cross-border shopping). "Even if a small percentage of consumers shop abroad, it will have an effect on the prices in each

¹ See Alleweldt, F./Maier, L./Wilde, K. 2002: Ex-ante impact assessment of the options outlined in the Green Paper on EU Consumer Protection, p. 30-56

Member State's overall market. This impact has already been seen for example in the UK car sector..."²

A study commissioned by the European Commission showed in late 2002 that there is at present "a potential of 10 million European consumers who would buy a lot more cross-border if they were equally confident about making purchases from shops or sellers located in another EU country. Additionally, an equivalent of 70 million European consumers said they would buy a little more or said that it would depend. If activated, this potential of up to 80 million European consumers can make a difference and work as catalyst for the creation of a B2C internal market."³ All these consumers engaging in fact or potentially in cross-border activities are the main clients of the ECCs, and the rest of the population is as well as addressees of campaigns organised by the ECCs in order to increase European consumer awareness.

2.1.2 Shift in tasks and structure of the ECCs

In accordance with their increasingly Single-Market-oriented and less regionally limited functions, some ECCs moved from their former somewhat peripheral location (close to border regions) to metropolitan regions from where they have better access to the media and can better participate in the political debate. This necessity appeared already at an early stage of their existence; it was documented in the first evaluation of their activities in 1997.⁴

Not only has the location of some ECCs changed, their mission has as well. In the Consumer Policy Action Plan 1999-2001, the EU Commission declared: "The role of the Euroguichets will continue to be transformed ... The Commission will create a network between them and the Commission to ensure a two-way flow of information. It will take steps to improve and co-ordinate their use of Internet websites. Euroguichets will increasingly carry out public relations work, in cooperation with consumer associations, and organise training courses for journalists and other opinion formers."⁵

In other words: the ECCs developed from a secondary instrument conceived to address some deficits of the Single Market to a network of institutions that should be capable of complementing the activities of the national consumer organisations (especially as carriers of advice systems) at the European level. This is a very demanding task given the limited size of most of the ECCs in comparison with national consumer organisations. The task remains daunting even though the financial base of the ECCs has increased over the years and has been given a solid basis by the Commission's "Decision of the European Parliament and of the Council establishing a general framework for financing Community actions in support of consumer policy for the years 2004 to 2007".⁶ Action 9 of this pro-

² Communication from the Commission to the European Parliament, the Council, the Economic and Social Committee and the Committee of the Regions. Consumer Policy strategy 2002-2006. COM (2002) 208 final (2002/C 137/02)

³ Alleweldt, F./Maier, L./Wilde, K.: op. cit. p. 118

⁴ Wilhelm Consulting: Evaluation of the transborder consumer information pilot-projects. Final Report, 1997

⁵ Consumer Policy Action Plan 1999-2001.
http://europa.eu.int/comm/consumers/cons_int/ser_gen/links/action_plan/ap01_en.pdf

⁶ Decision No 20/2004/EC of 8 December 2003

gramme foresees the financing plan for the ECCs, which is not only important for the ECCs themselves, but also for the national institutions which serve as hosting bodies for the establishment and operation of the ECCs.

More significant changes lie ahead. Already in June 2003 a conference took place to review the European Extra-Judicial Network, which had been set up by the Commission to create a central contact point in each Member State, which would act as 'Clearing House'. Clearing Houses inform consumers about the availability, and nature, of the Alternative Dispute Resolution (ADR) schemes that can deal with their disputes, help them to forward their disputes to the appropriate ADR scheme and co-ordinate, and monitor, the operation of ADR schemes within the network. It was at that stage envisaged that Member States could either create the Clearing Houses as a specific new organisation, or allow an existing national entity such as a European Consumer Centres to host it⁷. Presently, in eight Member States the Clearing House is already attached to the European Consumer Centres. The conference made clear the need to consolidate and rationalise the EEJ-Net and the ECC Network in order to offer "a single easily identifiable and accessible network where a full range of services is offered to the consumers."⁸ The Commission consequently concluded that the "activities of both networks, from information to disputes resolution, should be regrouped in a single network"⁹. To evaluate the progress of both networks made so far and to prepare the process of merger two evaluation studies were commissioned. The first one is the 'Ex ante budgetary evaluation of a possible merger of the EEJ-Net and the ECC Network and assessment of the pilot phase of the EEJ-Net', finalised in July 2004, and the second one is the present evaluation study, which focuses on the network of European Consumer Centres.

2.2 Methodology

2.2.1 Civic Functional Evaluation

The methodology used for the intermediate evaluation of the European consumer centres' network is CIVIC FUNCTIONAL EVALUATION.

The basic assumption of Functional Evaluation is that each institution has strategic objectives it is trying to achieve. These are medium or long-term aims of the institution, which are defined by the highest level of management and are reflected in all activities this institution performs. Strategic objectives are obviously linked to the objectives of the programme as a whole (in this case the ECC-network), but do not need to be identical for all institutions involved.

Each institution performs activities on a daily basis to produce services or products (the output of the institution). In the case of the ECCs this includes services such as consumer advice or feedback to the EC, or products such as publications etc. Functional Evaluation analyses series of activities which are related to a specific output. These are called "functions".

⁷ COMMUNICATION FROM THE COMMISSION on the Review of the European extra Judicial network and future perspectives for improved European Union consumer assistance, 15.12.2003

⁸ COMMISSION WORKING DOCUMENT on the review of the European Judicial Network and future perspectives for improved European Union Consumer Assistance, (Brussels 30.10.2003) p. 12

⁹ COMMUNICATION FROM THE COMMISSION on the Review of the European extra Judicial network and future perspectives for improved European Union consumer assistance, 15.12.2003

In the Functional Evaluation process, current and existing activities are grouped into discrete functions and “filtered” using an appropriate analytical framework. Taking into account the strategic objectives of the institution functions may be grouped together or separated, if needed modified or rationalised. In some cases it may even be recommendable to abolish specific functions.

The Civic Functional Evaluation framework for the ECC-network:

- ❖ measured the characteristics of a function, such as how much it costs, who are the customers, and what are their needs;
- ❖ evaluated the strategic objectives to ensure that functions are complementary to the objectives of the action;
- ❖ tested what should happen to the function against a range of decision making or examination criteria; and
- ❖ proposed guiding principles that determined how the modified functions were organised on the level of individual ECC and the ECC-network.

As a first step of the evaluation process, the main functions of the ECC-network and the individual ECCs were determined.

2.2.2 Functions of the individual ECC

Each individual ECC fulfils at least the following functions. They may be grouped in five categories:

I. Consumer Assistance functions

- Advise individuals facing a consumer related problem.
- Inform consumers directly about Internal Market and EU/national legislation.

II. Information and Promotion function

- Inform consumers indirectly through the media.

III. Consumer Education function

- Perform educational activities for consumers and specific groups.

IV. Research function

- Conduct cross-border comparisons of prices, legislation and other research.

V. Feedback and Networking functions

- Cooperate with other ECCs and European networks (EEJ-Net, Fin-Net).
- Participate in feedback mechanisms.

A set of performance indicators was developed for each of the functions and adapted to the available data during the first project phase.

2.2.3 The evaluation process

A detailed questionnaire was developed to assess inputs and outputs of specific functions. The questionnaire consisted of a section on general data and topical sections related to specific functions. A draft questionnaire was tested during a pilot evaluation visit to the ECC Stockholm. It became clear during the visit that the function of Clearing House of the EEJ-Net, which is performed by a number of ECCs (including ECC Stockholm), is sometimes difficult to separate from ECC functions in terms of budget and staff. It was therefore decided by the evaluators to include the budget and staff of the Clearing House in the calculation, which means that the ECCs with Clearing House function had to be identified as a separate group in the evaluation (in all evaluation graphs ECCs with CH-function are marked with a star*). It also was decided to collect ECC data referring to the years 2002 and 2003 and to take the year 2003 as reference year for the comparison of performance. The final version of the questionnaire is given in Annex II. It was sent out to the ECCs at the end of February, 2004. The evaluation graphs in this report are based on the questionnaire data. The responsibility for the accuracy of the data therefore rests with the individual ECC. However, extensive consistency checks were performed and values deviating greatly from the average were scrutinised in depth during the evaluation visits. Further, a system of cross-checking questions was applied to answers and figures. Several rounds of consultation regarding ambiguous and/or missing data were held during a several-month-long period of data checking in parallel with visits and report writing.

During the evaluation, visits to all ECCs were performed, lasting on average two evaluation days. For specific dates and locations see Annex I. The evaluation visits' purpose was to assess the operation and set-up of individual ECCs. The visits consisted of structured interviews with the ECC Director and at least one staff member. For the interviews, a detailed list of questions for the evaluation visit was prepared. Additionally, meetings with the hosting organisation, the state agency/ministry responsible for consumer protection, and a consumer organisation took place in each country. The aim of these meetings was to assess the ECC's relevance to consumer protection in its region or country, the support given to ECC by national stakeholders (including possible role in advisory committee, financial support given) and to discuss suggestions for the ECC's future role in the national system of consumer protection.

The ECCs were involved from the beginning in the evaluation process with the aim to allow for a joint process to identify ways to strengthen the ECC network and its individual members. A first meeting with representatives of all ECCs took place on January 21, 2004, before the start of the evaluation. A second meeting took place on July 1, 2004, to discuss preliminary results and network recommendations with ECCs and the Member States. Finally, the draft evaluation reports for the individual centres were sent to the respective ECC for comment, especially with respect to factual mistakes which might have been made by the evaluation team. The final version of the reports are included as part II of this report.

2.3 Structure of the report

The main evaluation report (part I) is structured as follows: Following this introduction the main evaluation indicators will be analysed in *section 3: Assessment of evaluation indicators* and graphically presented for all ECCs. For each function

absolute as well as relative values will be presented, i.e. related to the staff capacity of the individual ECC.

Consequently, in *section 4: Assessment of performance of individual ECCs* main evaluation indicators will be used to compare the performance of the individual centres by function and put performance in relation to institutional criteria such as national set-up and cross-border orientation.

In *section 5: Recommendations of previous evaluation* the data gained through the evaluation will be analysed to assess the degree to which the recommendations of the previous evaluation performed in 1997 have been implemented (relevant only for centres existing then and for network recommendations).

The institutional framework of the ECCs in the different Member States is the main focus of the next *section 6: National set-up and location*. The section also asks how far proximity to consumers is necessary for an efficient running of an ECC and what is the added value of having two ECCs in one Member State.

Section 7: ECC objectives and network performance is an analysis of the overall performance of the network in relation to the objectives developed in the Consumer Policy Strategy 2002-2006. Recommendations for individual ECC functions are presented.

Finally, in *section 8: General recommendations* the main findings of the evaluation are presented, together with general recommendations.

Specific aspects with relevance for the future development of the network have been presented in separate boxes throughout sections 6 to 8. They are intended to detail recommendations given and present approaches as a basis for future debate. Several of the boxes refer to best practices identified in individual ECCs during the evaluation visit. As the evaluation has proved, the variety of approaches found in different ECCs is the greatest strength of the network. For almost all problems which may plague an individual ECC a remedy is most probably at hand in the ECC next door. We hope that this report is helpful for the network to further develop these strengths when ECCs in the new Member States will be set up and join the network to add even more facets to this treasure trove of consumer protection.

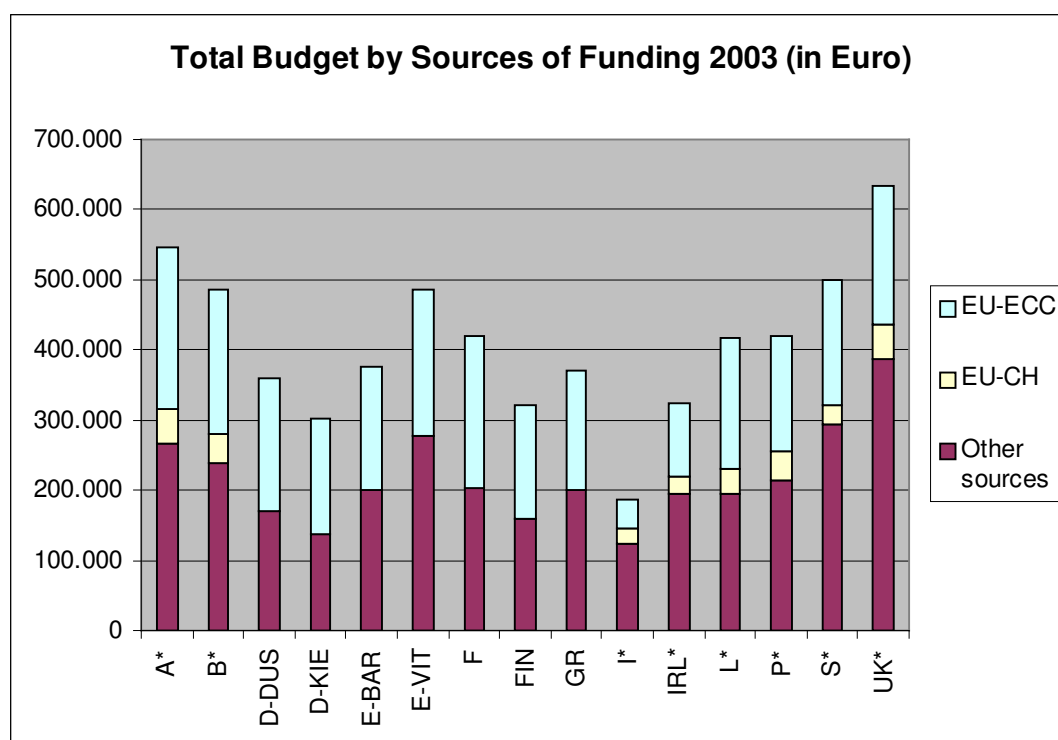
The evaluation would not have been possible without the contribution and support of many sides. The authors would like to take this opportunity to express their gratitude to all contributors: The authors are especially grateful to the Directors and staff of the ECCs. Their excellent cooperation has been crucial to the completion of this study. They diligently completed the questionnaires and made themselves available for numerous follow-up sessions by telephone and e-mail as well as sharing their experience during the evaluation visits. The Director of ECC Stockholm, Agneta Gillback, provided valuable comments during the pilot evaluation, where misunderstandings could be prevented in the handling of the ECC questionnaire. This project has indeed been a learning process for all, and we profited greatly from the input and active participation of the highly professional ECC staff. The authors also wish to thank all other stakeholders visited during the evaluation visit, which were ready to exchange their views on the ECC network and explain in great detail the role of the ECCs in their respective national framework. Finally, we are grateful to all Members of the Steering Committee from DG SANCO and other Commission Services, who supported the authors not only through reviewing intermediate results, but also through telephone interviews on specific issues and the provision of relevant documents.

3. Assessment of evaluation indicators

3.1 General

3.1.1 Budget and staff

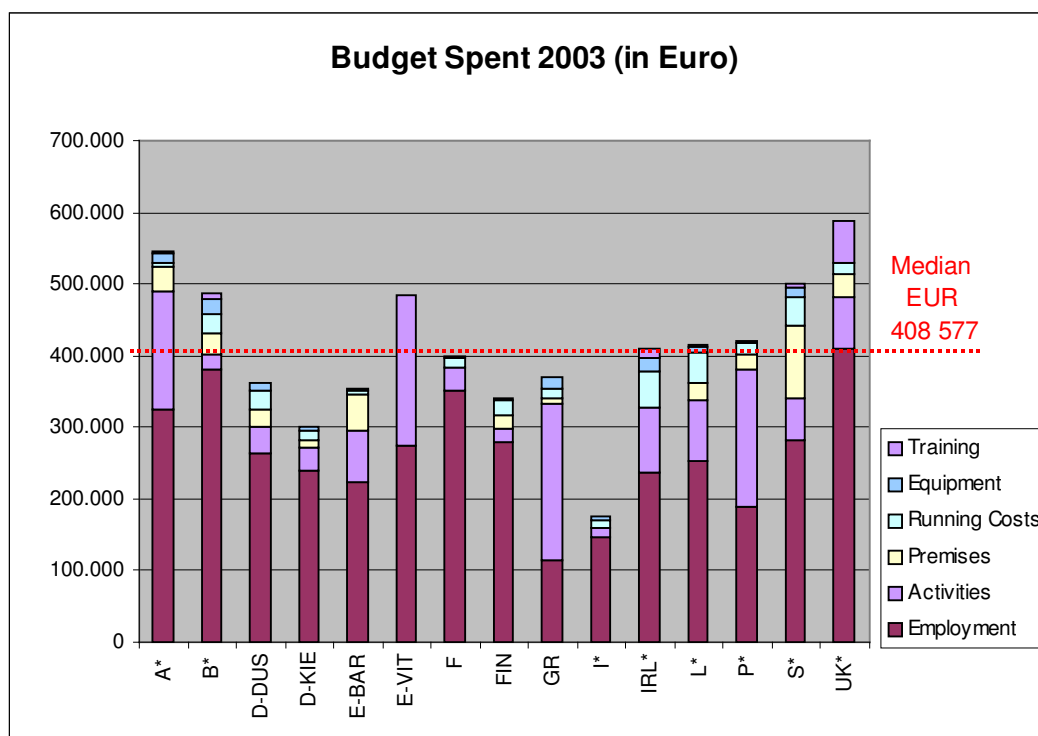
The 15 European Consumer Centres subject to this evaluation are far from being a homogenous group. Major differences include the institutional set-up (independent entity or part of hosting body) and the type of hosting body (governmental agency or consumer organisation). The following graphs illustrate that the marked differences between ECCs are reflected also in the size of the budget.



Eight of the ECCs are already merged with the Clearing House of the EEJ-Net (marked in all graphs with a star *). These ECCs received in 2003 funds for the Clearing House function, which is included in the budget figures and in all other data, as a separation between ECC function and CH-function proved sometimes to be difficult in practice¹⁰. Additionally, in 2003 EU funds were provided for the participation in IPM (Interactive Policy Making) – both factors led in some cases to more than 50% of EU funding. The median budget was 408 577 Euro including IPM and CH-funding (see graph on the next page). Please note that in the graphs of this report the point of reference is the median, which represents small samples with skewed distributions more accurately than the arithmetic mean.¹¹

¹⁰ However, the evaluation of these combined ECCs and CHs does not attempt to analyse the CH role.

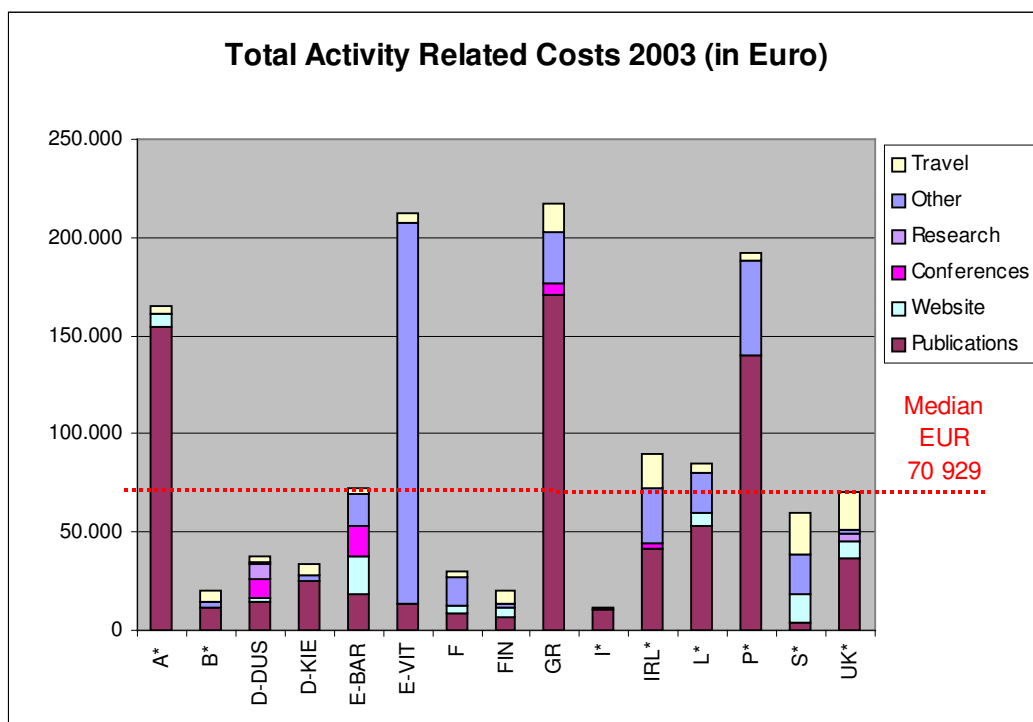
¹¹ The *median* is that value that separates the highest half of the sample from the lowest half. To find the median, all the observations are arranged from lowest value to highest value. Then the middle one is picked. The median is primarily used for skewed distributions, which it represents



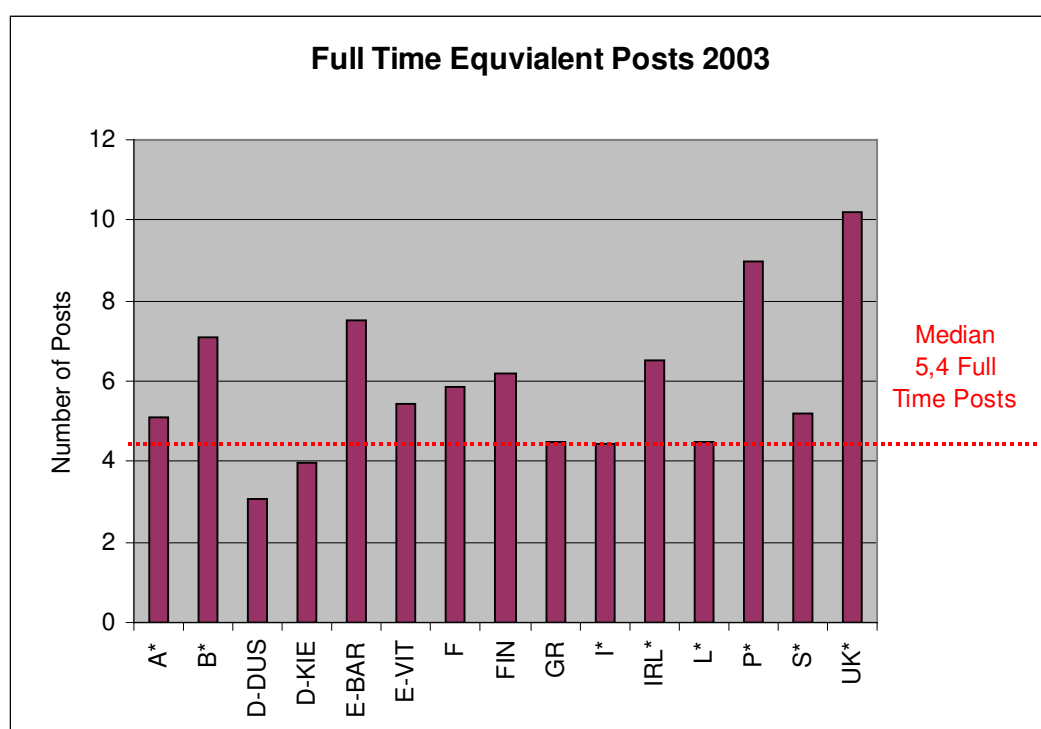
Marked differences in spending patterns were found. The median of activity related costs was roughly 71 000 Euro, most of which was spent on publications.

Four of the ECCs (Vienna, Vitoria, Lisbon and Athens) spent roughly the same amount or even more for activities in 2003 as the ECC Bolzano in Italy spent in total (ECC Bolzano received EU funds only in the second half of 2003). Three of the ECCs with exceptionally high activity related costs spent most of the funds for publications. In contrast, ECC Vitoria used this part of the budget to procure services from private companies for the operation of a telephone hotline and a training programme. Activity related costs are presented graphically on the following page.

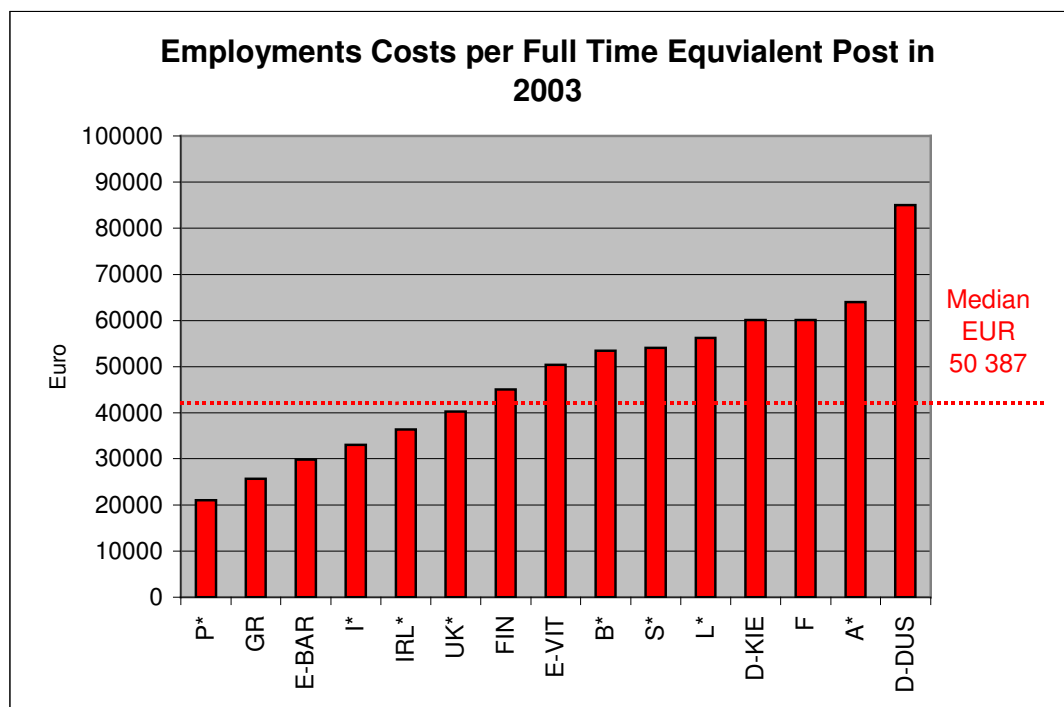
more accurately than the arithmetic mean. Consider the set {1, 2, 2, 2, 3, 9}. The median is 2 in this case, and it might be seen as a better indication of central tendency than the arithmetic mean of 3.166. The median is also the central point which minimises the average of the absolute deviations.



The median staff of an ECC is 5.4 full time equivalent posts, with all ECCs except Düsseldorf having at least 4 staff. The number of full time equivalent posts is calculated by dividing the total weekly working hours of all staff by 40. It allows comparison of the performance of different centres, but does not represent the actual number of staff working in the ECC. Several staff may have a part time position and the weekly working hours associated with a full time position may differ by country.



Also differing by country are the employment costs. The graph on the following page presents the average cost per ECC of a full time equivalent post. The costs reflect the different level of salaries in the EU, with Germany, Austria, France, Luxembourg, Sweden and Belgium being above the median. However, the graph also shows the exceptionally high average employment costs in the ECC Düsseldorf, which are significantly higher than in the ECC with the second highest relative employment costs (Austria). The explanation given by the project manager was that the fees calculated for the non permanent staff which the hosting organisation seconded to the ECC (5 of 8 positions listed, totalling 18.3 average working hours per week) were higher than costs of permanent staff, being based on standard fee rates for external experts determined by the German Federal Ministry of Finance.

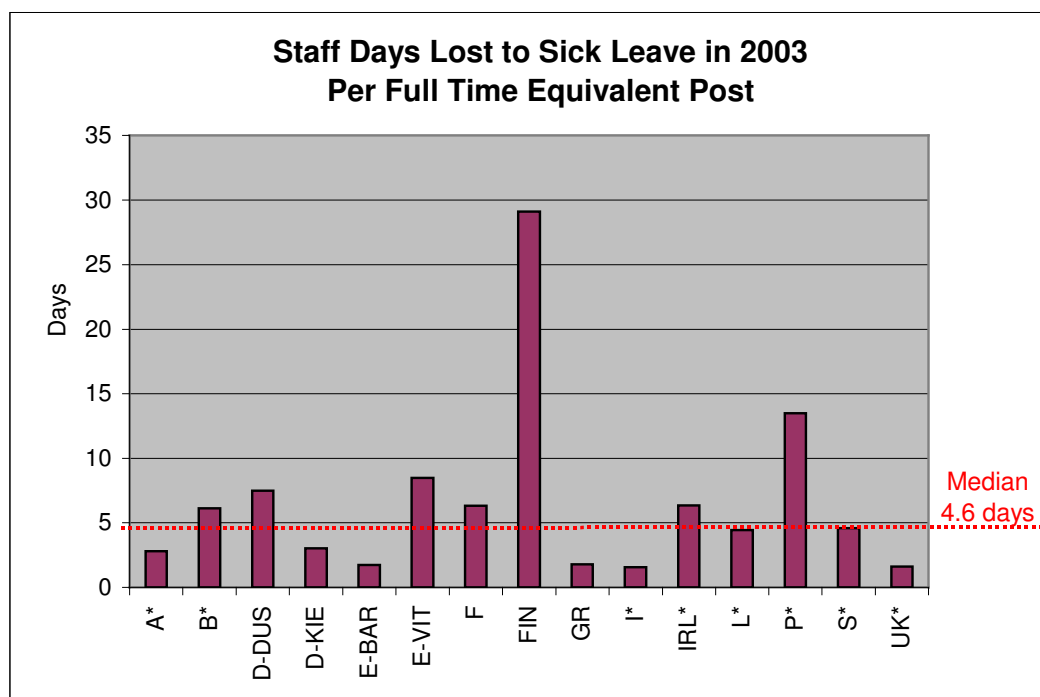


Only six of the ECCs made a significant use of volunteers, interns and trainees. This indicates that **an important potential exists for most of the ECCs to extend their work force without significant costs involved by making regular use of volunteers, interns or trainees.**

3.1.2 Management (not function related)

13 of the 15 ECCs used up to 10% of total staff time for financial and personnel management in 2003 (only Greece and UK used more). The median amount was 8%.

Staff days lost to sick leave are an important management indicator. In absolute numbers, the total number of staff days lost to sick leave (maternity leave not included) varied between 7 days (ECC Bolzano) and 180 days (ECC Helsinki). The following graph shows the working days lost per full time equivalent post.

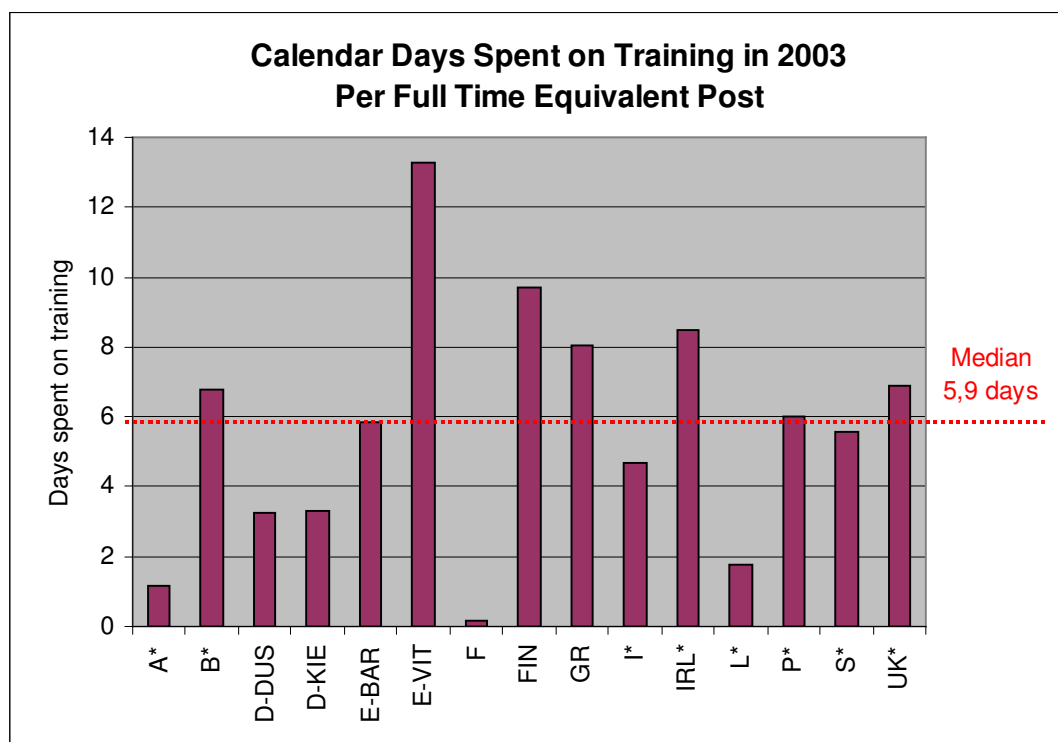


Two ECCs have relatively high absolute numbers of staff days lost to sick leave (in Finland and Portugal). However, the highest number of days lost occurred in Finland (180 days in 2003) due to a chronically ill person. The second highest number of days lost occurred in Portugal (121 days in 2003). This figure reflects a significant number of days (41) taken by one person working who has a chronic health problem. The remaining 8 full-time equivalent staff members took an additional 80 days of sick leave. This is equivalent to 10 days lost per full time equivalent staff, well above the ECC average.

The median of 4.6 working days lost to sick leave per year is an **indication of the high motivation of staff of the ECCs**. In comparison, according to a major German health insurance provider (BKK), the average employed member in Germany was sick during 14.5 calendar days in 2002¹², an equivalent of roughly 10 working days.

Higher than the number of days lost to sick leave was the number of days spent on training in 2003. The median was 5.9 days per full time equivalent post (see graph).

¹² Source: http://www.bkk.de/bkk/pressemitteilungen/powerslave,id,3,nodeid,15,ps_lo,40.html



The lowest number of training days was reported from the ECCs in Austria and France with around 1 day of training or less per full time equivalent post in 2003. In detail:

- **ECC Lille:** In France, the staff received hardly any training (only one day of software training) due to an exceptional situation in 2003, when the very existence of the ECC was in doubt. This is reflected in a number of graphs and has to be taken into account when interpreting the figures.
- **ECC Vienna:** In Vienna only 6 staff days of staff training took place.

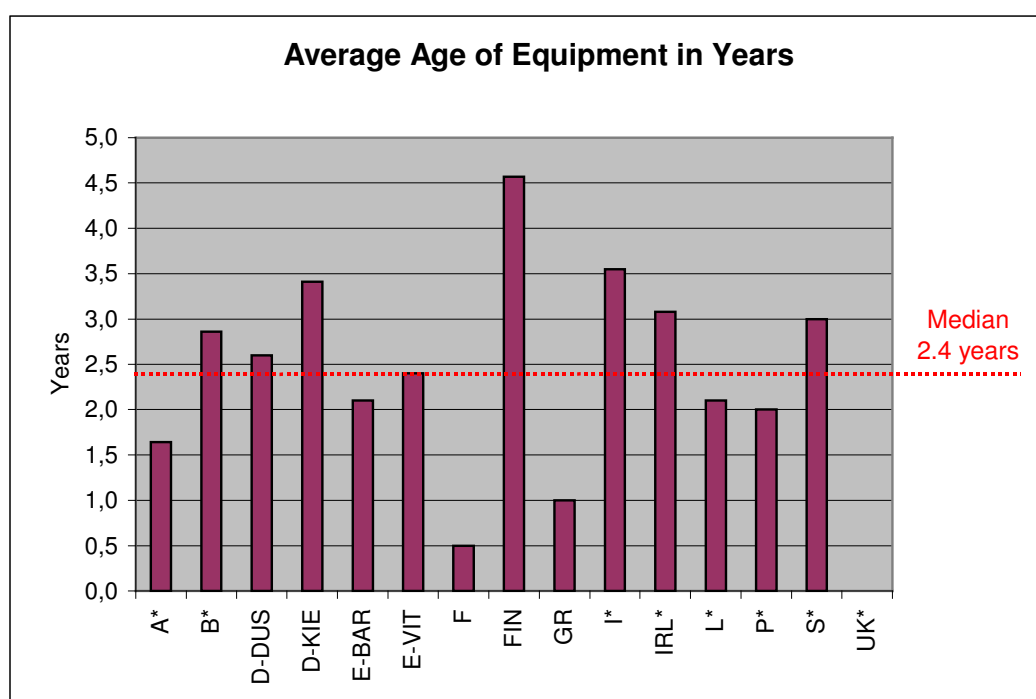
On the other hand, a number of ECCs had a very high level of training activities in 2003. These include:

- **ECC Helsinki:** The training included for most staff improving computer skills, e.g. Word, PowerPoint, FrontPage etc. Other topics were specific to the task of the staff. For example, the consumer advisors also received legal training. Included in the figure are also some events where the ECC Head EU Consumer Advisor both lectured, e.g. a seminar on cross-border consumer information held by the Nordic Minister Council.
- **ECC Dublin:** More than two thirds of training given in the ECC Dublin consists of internal training. As the ECC wrote: "We aim to have one staff training session per month on a relevant area of consumer protection legislation or an office procedure. This may relate to a new piece of legislation or a recent piece of research it may simply be a 'refresher' session to ensure that all members of staff are familiar with the basic legislation on which advice is given. Occasionally a speaker from a relevant agency may come and talk to the staff, or we may organise a visit to a relevant agency. We also aim to have one case study meeting every month. These meetings are led by the le-

gal adviser. Each adviser brings a selection of interesting cases to the meeting and briefs the other staff on the issues raised. This is a valuable forum for discussing problems and sharing advice.” Staff is also encouraged to take up outside training opportunities according to their specific roles and needs, reaching from Italian language classes to negotiating skills and law.

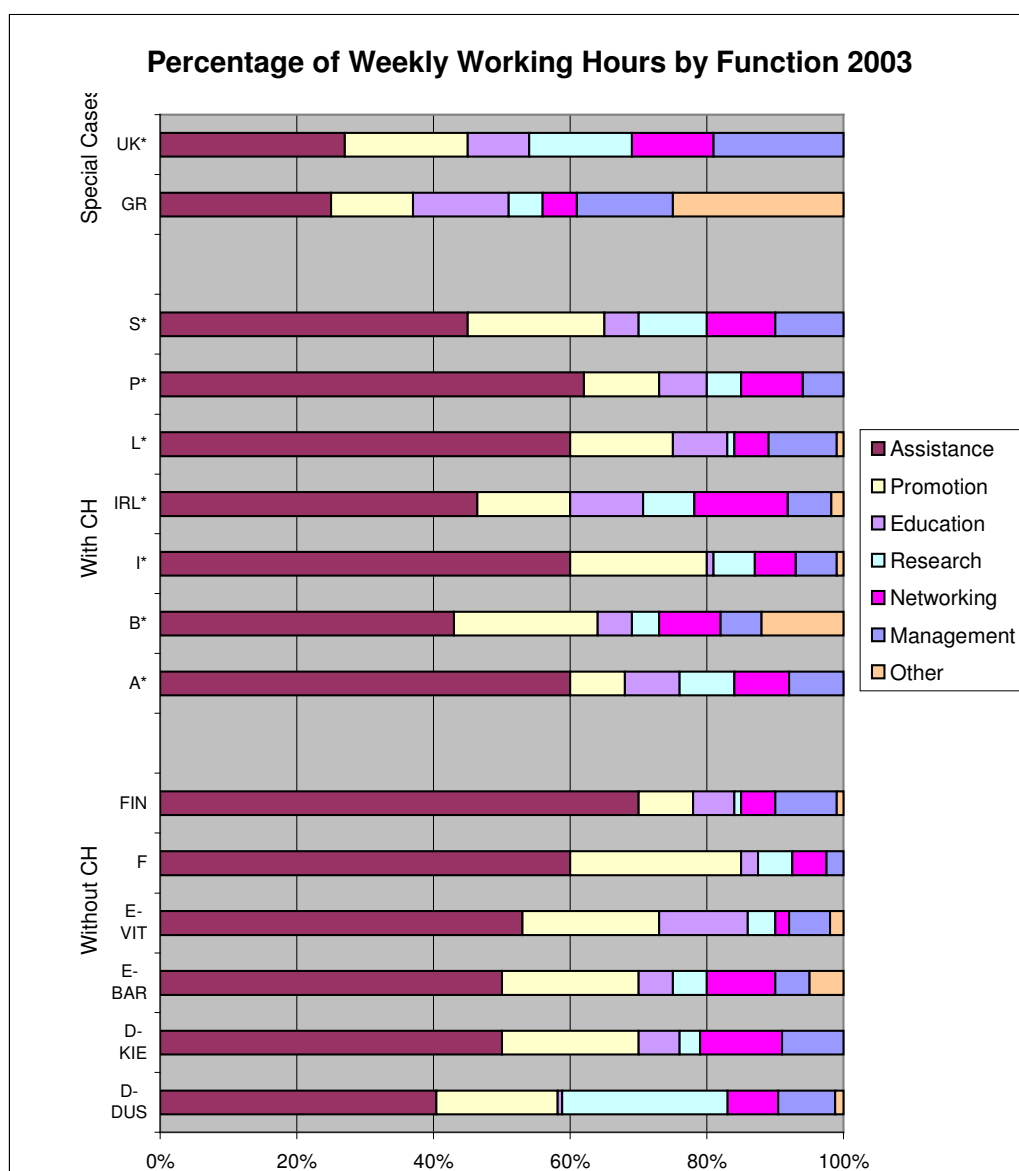
- **ECC Vitoria:** No detailed information was received on training activities from ECC Vitoria.

The median age of electronic equipment of the ECCs was 2.4 years. This value is calculated from the age given for different types of office equipment (computers, printers, copy machines, fax machines, scanners, video projectors and answering machines). In some cases (Finland, Germany-Kiel and Italy) a risk of high investment costs to renew equipment exists in the near future.



3.1.3 Use of staff time

In the questionnaire, all ECCs were also asked how the staff time is used for different functions such as consumer assistance, information and promotion, consumer education, research, networking and personnel/financial management. The result is presented in the graph below. The ECCs are arranged into three distinct groups: ECCs without Clearing House function, ECCs with such a function and two ECCs which have a very specific profile (UK and Athens).



The graph demonstrates the high level of similarity between the ECCs – in the two major groups and between these groups. In all cases assistance to consumers is the major activity of staff, involving between 40% and 70% of total staff time. Additionally, in most cases the information and promotion function is placed second, typically taking between 10% and 20% of staff time.

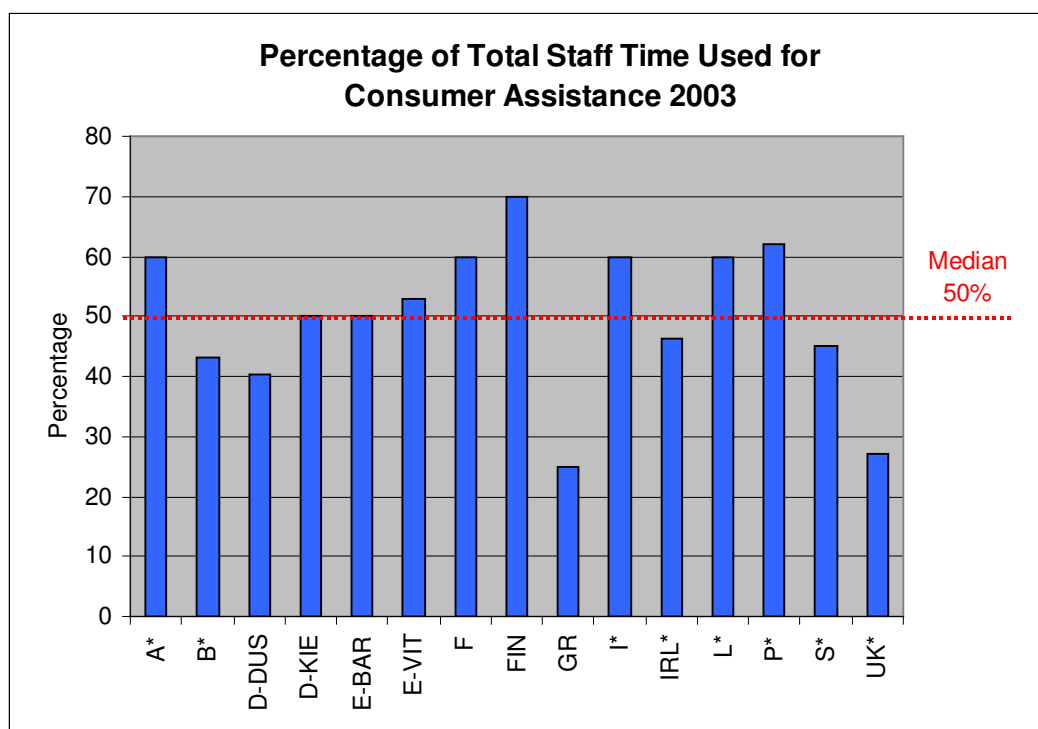
It is of interest to see that no obvious differences in the functions performed could be found between ECCs hosting a Clearing House and the others.

A separate group of ECCs are the ECCs located in the UK and Greece with less than 30% of staff time used for consumer assistance. However, in the case of the ECC Athens this was due to the fact that the centre was only opened for consumers during 2003 and one quarter of staff time was used for activities related to setting it up (listed as “other” activities in the graph). The ECC London/Wolverhampton in contrast does, in fact, work differently compared to other ECCs in that it mainly provides second tier advice (to advisors of the local Citizen Advice Bureaux) and only provides direct assistance to consumers by email.

3.2 Consumer assistance

3.2.1 Inputs

The following table presents the staff time used for the main function of the ECCs, assistance. The median value of all ECCs was 50%, with the ECC Helsinki contributing the highest percentage of staff time to assistance (70%).



In absolute terms, the total number of staff hours dedicated to consumer assistance in 2003 varied between 43 hours per week (Düsseldorf) and 223 hours per week (Lisbon), with a median of 115 hours per week.

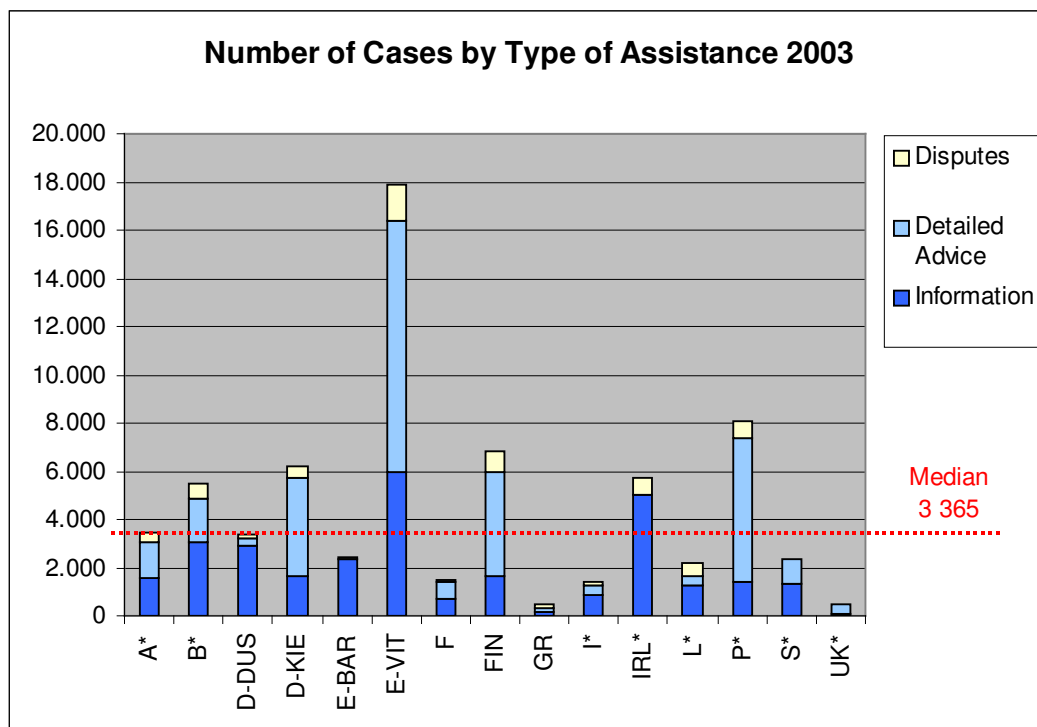
3.2.2 Outputs

In the questionnaire sent to the centres three different types of assistance were differentiated:

- Type I - Provision of general information (simple questions)
- Type II - Detailed and case specific advice

- Type III - Disputes (complaints which were not solved through direct contact between the trader and the consumer)

The graph below shows the absolute number of cases handled by the ECC staff according to these types of assistance.



The median number of cases handled per ECC in 2003 was 3 365. A very high number of cases was reported from the ECC Vitoria, more than 5 times the median value. A number of reasons for this could be found during the evaluation visit:

- The main part of cases is dealt with by a private company contracted to answer a consumer hotline.
- The ECC has three branch offices which are directly accessible by consumers.
- The ECC is oriented regionally and does not focus on cross-border cases.

Also the ECCs ranking second and third in terms of the absolute number of cases (Portugal and Finland) are not focusing on cross-border cases. The lowest number of cases were reported from the UK and Greece with less than 500 cases. In total, the ECCs registered 67 807 cases in 2003.

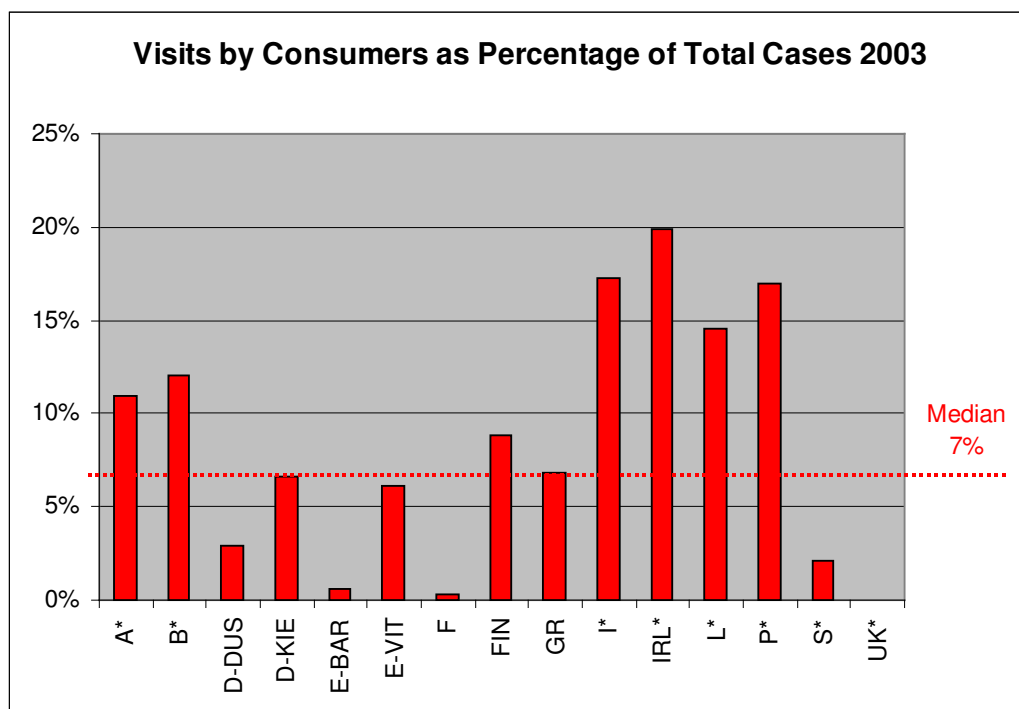
Also the proportion of the three types of assistance differed considerably between centres. In some centres the largest number of cases consisted of providing general information to consumers (e.g. in the ECCs Dublin and Düsseldorf). In contrast, in Kiel, Vitoria, Helsinki, and Lisbon the main type of assistance was de-

tailed and case specific advice. All ECCs, except the ECC UK¹³, reported that they handled disputes (the number of disputes in Sweden and France was less than 100 and is not visible in the above graph). The total numbers for the respective categories for the whole network were:

- Type I - general information: 29 913
- Type II - specific advice: 31 426
- Type III - disputes: 6 468

In general, no specific methodology for providing consumer advice was used in the ECCs. However, in most ECCs most or at least some of the staff members were well experienced consumer advisors, who were available to train their less experienced colleagues. The exception to this rule was the ECC Vitoria, where roughly 70% of cases were dealt with by a private contractor, whose staff had only received a basic training once and was supposed to only deal with simple cases.

In all ECCs the main methods of contact were by phone and written (by email or by mail/fax). Personal visits of consumers are less important, with a median value of only 7%. In the ECCs of Germany-Düsseldorf, Spain-Barcelona, France, Sweden and UK¹⁴ the number of visits was even negligible with less than 3%. However, in the ECCs of Italy, Ireland, Luxembourg and Portugal visits by consumers accounted for approximately 15% to 20% of cases.



¹³ However, it should be noted here that a main objective of the Citizens Advice Bureau is to assist citizens to avoid mistakes, but then subsequently deal with them themselves when a consumer mistake does occur.

¹⁴ In the case of the ECC UK one has to take into account that ECC staff only provides second tier advice and that consumers visiting a local CAB are not included in the statistics.

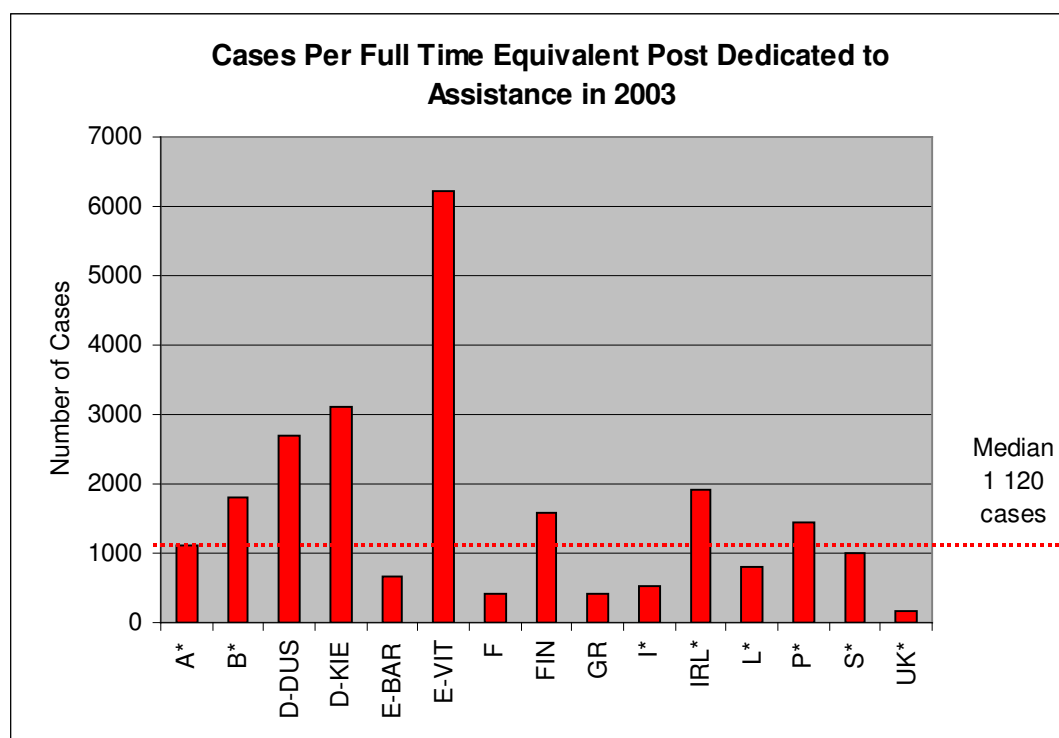
3.2.3 Outcomes and performance

Two indicators were proposed to measure the outcomes of the assistance function: Records of ECC tracking *user satisfaction* and the *number of settled cases* of cross-border consumer complaints.

None of the ECCs except Dublin tracks user satisfaction. The only indication of user satisfaction reported by some other ECCs were letters of consumers expressing their gratitude for the support they received from ECC staff and also, in some cases, presents such as chocolates. Due to the lack of statistical information no assessment of this indicator was possible. Also, systematic records of settled cases of cross-border consumer complaints were not available. In the case when advice was given by ECC staff and the consumer contacted the seller himself, no consistent data was available, as not all consumers reported the results of their complaint to the ECC.

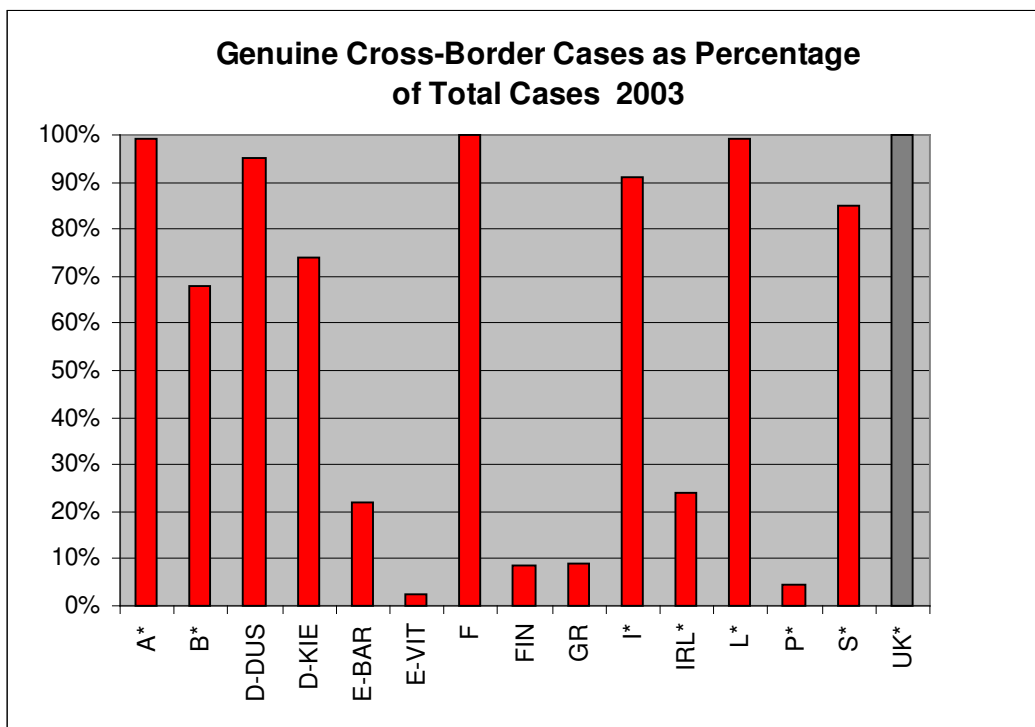
The graph below gives an indication of the performance of the individual ECCs with respect to the function consumer assistance. For this aim, the output of each ECC in terms of a specific function such as consumer assistance was put into relation to the total staff time dedicated to this function. This allows a comparison of different ECCs, irrespective of the fact that each ECC sets its priorities differently and dedicates more or less staff time to a specific function. The graph illustrates that the highest performance based on the cases per full time equivalent post dedicated to assistance is demonstrated by the ECC Vitoria with nearly six times the median value of 1 120 cases. This is not surprising, because the basis of this calculation is the time used by staff employed from the ECC budget. However, most of the cases in Vitoria were dealt with by subcontracted staff, whose working hours are not included in the calculation.

The combined data of all ECCs allows us to relate the total number of cases to



the staff time used. **On average, 1.2 hours of staff time were used for each case¹⁵.**

Also, the percentage of cross-border cases, which are in general more complex than other cases, has a significant influence on the performance. The graph below indicates the percentage of genuine cross-border cases.



Note: UK marked in grey, as number of national cases dealt with by ECC staff was not reported

Three groups of ECCs have to be differentiated:

Cross-border oriented ECCs with two thirds or more genuine cross-border cases are the ECCs in:

- Austria
- Belgium
- Germany (both Kiel and Düsseldorf)
- France
- Italy
- Luxembourg
- Sweden

Regionally or nationally oriented ECCs with less than 10% of genuine cross-border cases are the ECCs in:

- Spain (Vitoria)
- Finland
- Greece
- Portugal

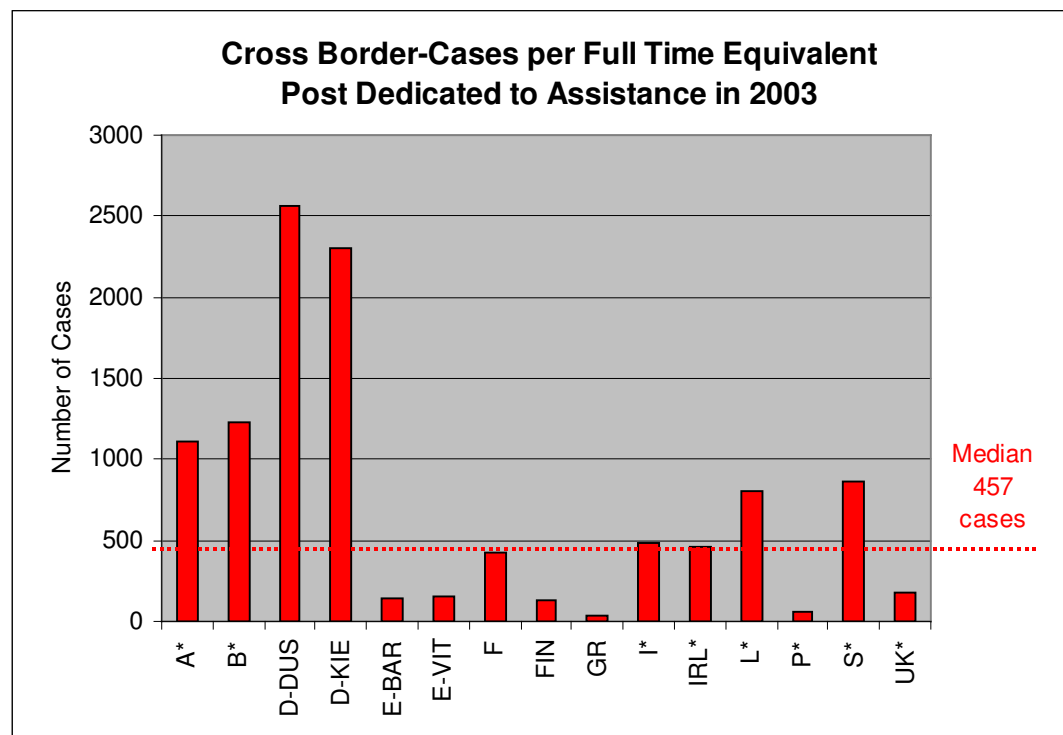
¹⁵ Calculated on basis of 67807 cases and a total of 1770 weekly working hours dedicated to consumer assistance by the 15 ECCs and an average of 46 working weeks per year.

A position in between is occupied by two ECCs, which are still **mainly regionally or nationally oriented, but have also a significant amount of cross-border cases of around 20%**. These are the ECCs in:

- Spain (Barcelona)
- Ireland

In the case of the ECC UK, national cases were not reported, but clearly constitute a significant part of the work.

In total, approx. 25 700 genuine cross-border cases were reported by the ECCs. Based on the number of genuine cross-border cases the performance of the individual ECCs is as follows:

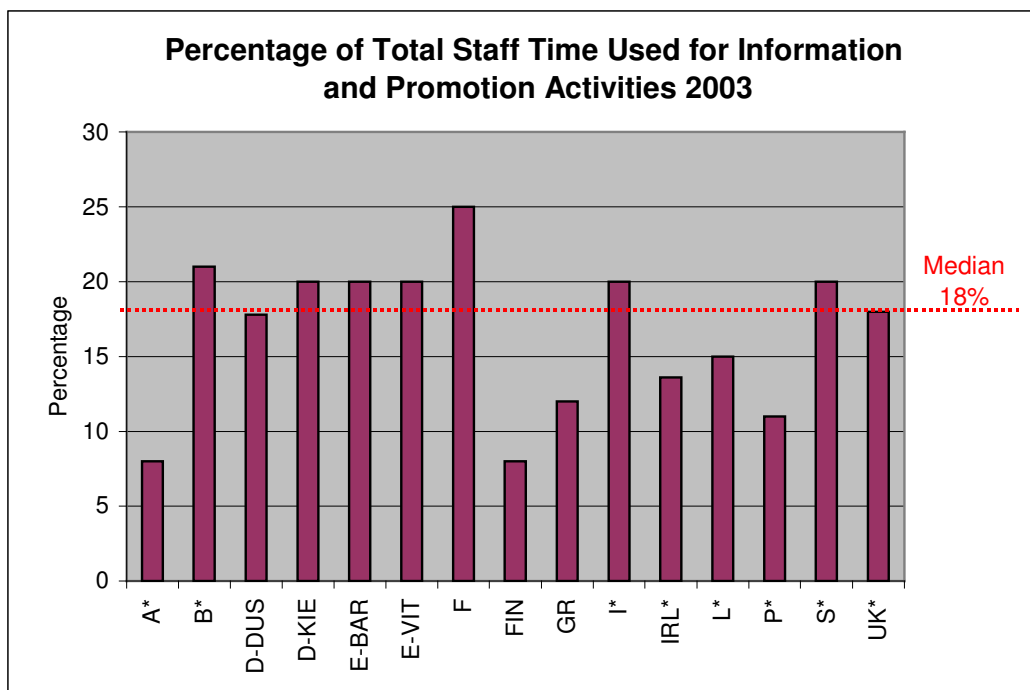


The graph above illustrates that there are significant differences in the performance of individual ECCs with respect to cross-border cases. **This indicates the need to clarify the focus of the network with respect to assistance in cross-border cases.**

3.3 Information and promotion

3.3.1 Inputs

The percentage of staff time used for information and promotion activities is in all but two cases significantly above 10%, seven ECCs even dedicate 20% to 25% of the total staff time to this task. Please note that activities related to consumer education (direct contact to groups of consumers or specific groups) are not included in these figures.



In absolute terms, the total number of staff hours dedicated to information and promotion in 2003 varied between 17 hours per week (ECC Vienna) and 75 hours per week (ECC London/Wolverhampton), with a median of 38 hours per week (or roughly one full time equivalent post).

Activity related costs dedicated to the production of publications vary significantly between less than 4 000 Euro (ECC Stockholm) and more than 170 000 Euro (ECC Athens). The median activity related costs for publications in 2003 was approximately 18 000 Euro. The ECCs with the highest costs were:

- ECC Athens: 170 708 Euro
- ECC Austria: 154 217 Euro
- ECC Lisbon: 140 149 Euro
- ECC Luxembourg: 52 680 Euro
- ECC London: 37 106 Euro

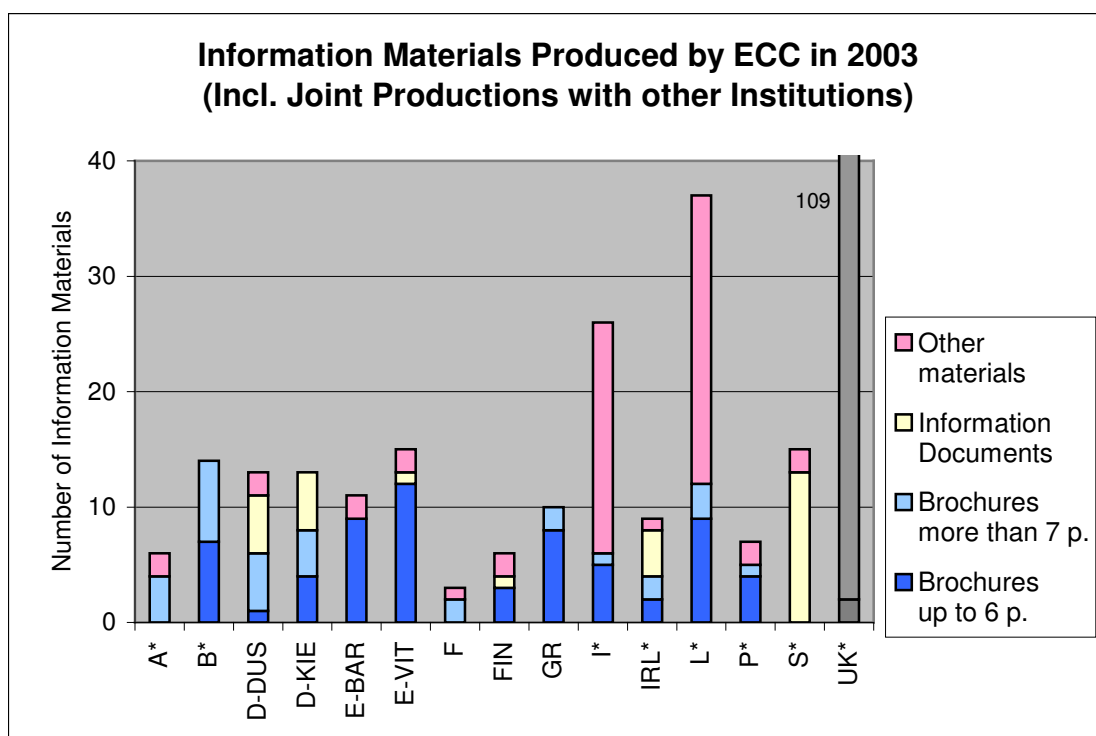
Also very important in the area of information and promotion are well functioning and regularly updated websites. Costs related to the ECC website varied in 2003

between no costs (ECCs Brussels, Vitoria, Lisbon and Dublin) and more than 20 000 Euro (ECC Barcelona). The median activity related costs for the website in 2003 was 1 743 Euro. The ECCs with the highest costs were:

- ECC Barcelona: 20 235 Euro
- ECC Stockholm 14 999 Euro
- ECC London: 8 305 Euro
- ECC Vienna: 6 921 Euro

3.3.2 Outputs

All of the ECCs publish information in printed form. There is a wide range of materials, including leaflets providing guidance on how to avoid problems in cross-border shopping (e.g. ECC Bolzano), how to resolve problems in specific types of purchases (e.g. ECC Helsinki), and general information about the EU initiatives relating to the internal market (e.g. ECC Athens).



Note: UK marked in grey because of insufficient data

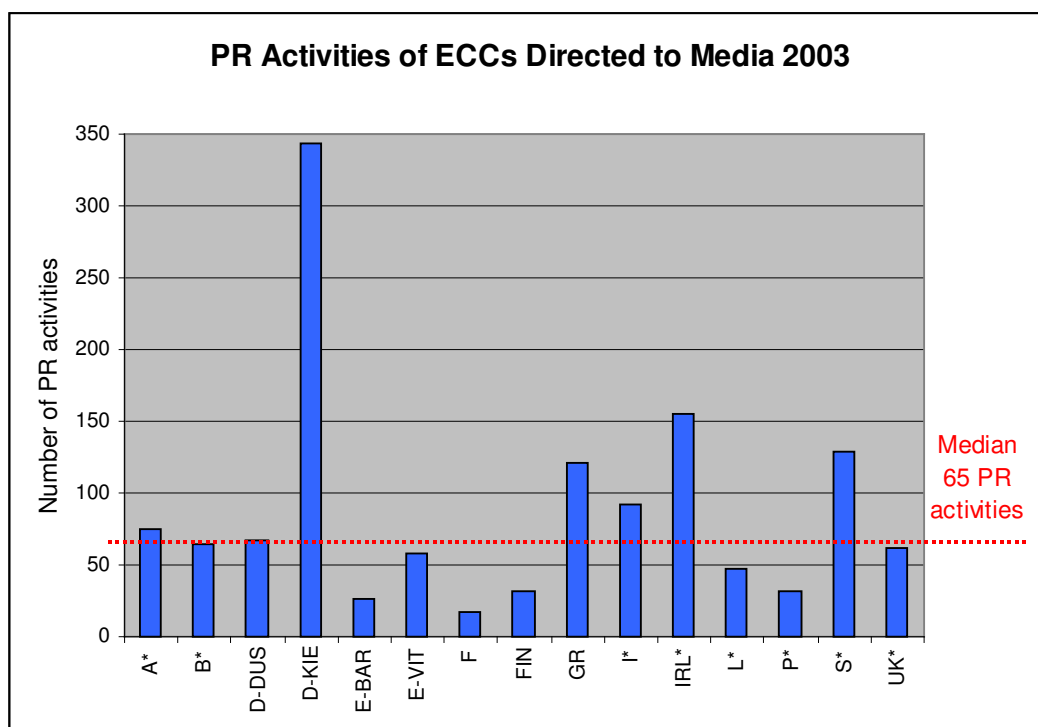
The most useful information for consumers is related to specific problems. There is demand for such information, particularly when it is timed and targeted appropriately. In Finland, for example, a change in the tax regime led to an increase in purchase of cars abroad. A leaflet published by ECC Helsinki on how to avoid problems in such cross-border shopping was in high demand.

The presentation of the information varies from publication on recycled paper (e.g. ECC Bolzano) to glossy bulletins (e.g. ECC Athens). There is no indication as to whether take-up by consumers is related to the glossiness of publication.

The UK ECC is involved in the development and maintenance of the hosting body's extensive information system. This consists of different types of materials for different target audiences, available on paper and through the internet. Considerable resources are necessary to establish and update this system. It is well-known and widely used in the UK.

Most ECCs also have a website (one exception is the recently established ECC Athens). In some cases the ECCs are moving towards publishing their information primarily through the website and just making printed versions available on request. This seems appropriate given that use of the Internet is increasing across the EU and those involved in cross-border shopping do so in increasing numbers via the Internet. However, there is some indication that consumers still prefer printed information. The printed version of the leaflet on purchasing cars abroad published by ECC Helsinki, for example was in great demand, even though it was also downloadable from the website. There is an increasing number of visitors to all ECCs' websites and it is appropriate that these should now be prioritised for development.

All ECCs publish an Annual Report, mainly for use by the hosting body and the EU. The standard of presentation varies. Not all are published in the ECC language plus English, and therefore the information is not as readily available for use by other ECCs or consumers in other countries. All ECCs perform public relation activities directed to media (see graph), with a median of 65 activities in 2003.



Listed as an activity in the above graph are press releases, press conferences and media events, participation in radio and TV programmes and requests for information by media answered by ECC staff.

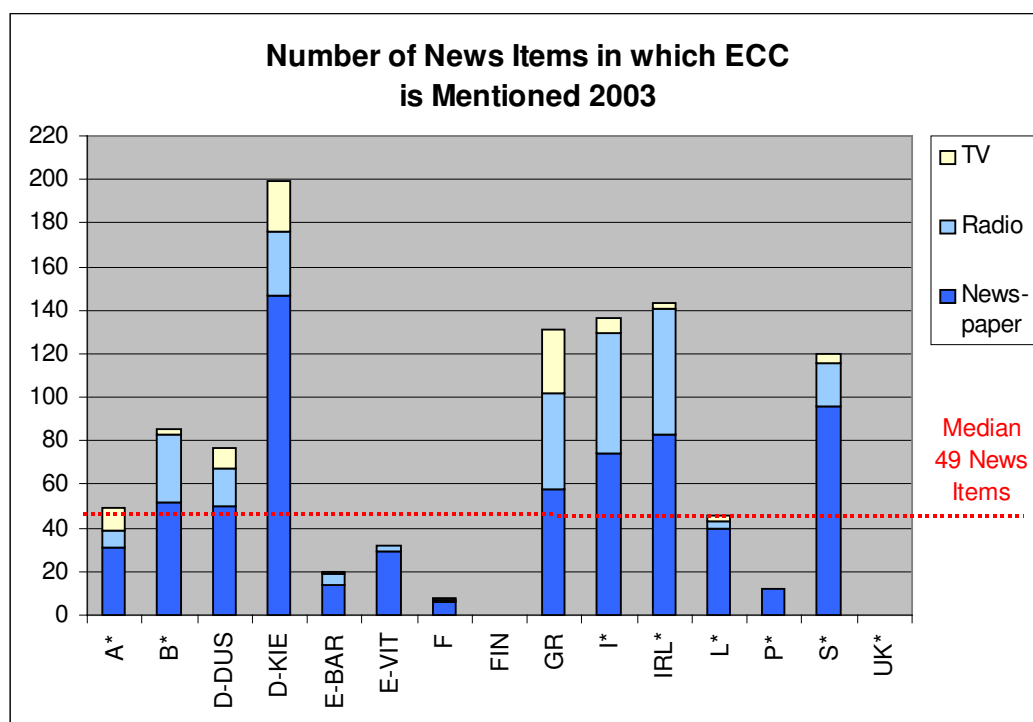
Especially the latter activity, requests for information by media answered by ECC staff, was not registered by several ECCs. In these cases the ECCs were asked to estimate the number of requests answered in 2003.

In several ECCs the Director is the main person who deals with the media. In some ECCs such as Sweden, however, each member of staff engages with the media in their area of specialisation. This is effective in terms of allowing high quality input being made available to the journalists. In the UK, Spain (both ECCs) and Austria, the contact with the media is mainly through the hosting body's PR department. This can impede the access to the media and in some cases reduce the level of expertise on cross-border issues available to the media.

3.3.3 Outcomes and performance

There is generally a close working relationship between ECCs and the media. All the ECCs have a presence in the media and dedicate time towards promoting their work to the media. ECC Stockholm provides weekly data to the media on cases received which leads to high quality coverage.

Most ECCs track media coverage, although Finland is an exception. A small number subscribe to a media monitoring service. Most ECCs were quite effective in the PR activities, with a median of 49 news items in which the ECC is mentioned.



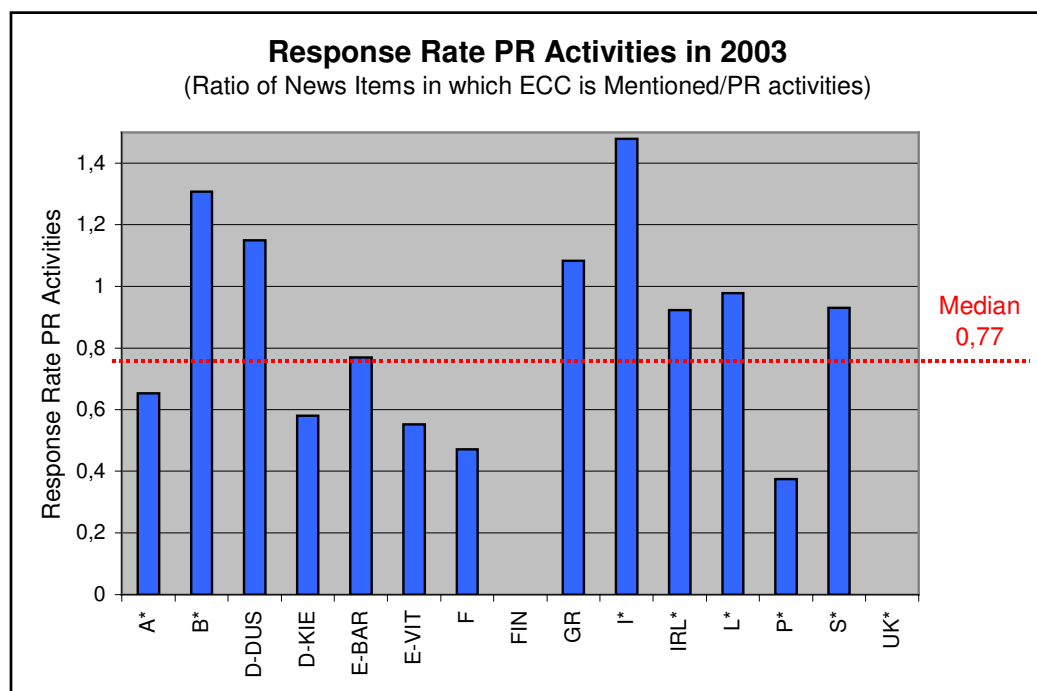
Note: Finland – no media tracking. UK – no data available.

The previous graphs illustrate that there is a group of “media oriented” ECCs, which have a high level of PR activities and significantly higher media coverage than other ECCs. This group consists of the ECCs Kiel, Athens, Bolzano, Dublin and Stockholm. On the other hand, certain ECCs have decided not to prioritise PR activity. In Finland this decision was taken in order to allow staff enough time

to deal with the case-handling. In France the decision was taken not to promote the ECC during the period of uncertainty about funding.

These decisions are reflected in both the low number of news items and also in the low number of cases during this period. The experience of most ECCs confirmed that there is direct relationship between PR activities and demand for assistance.

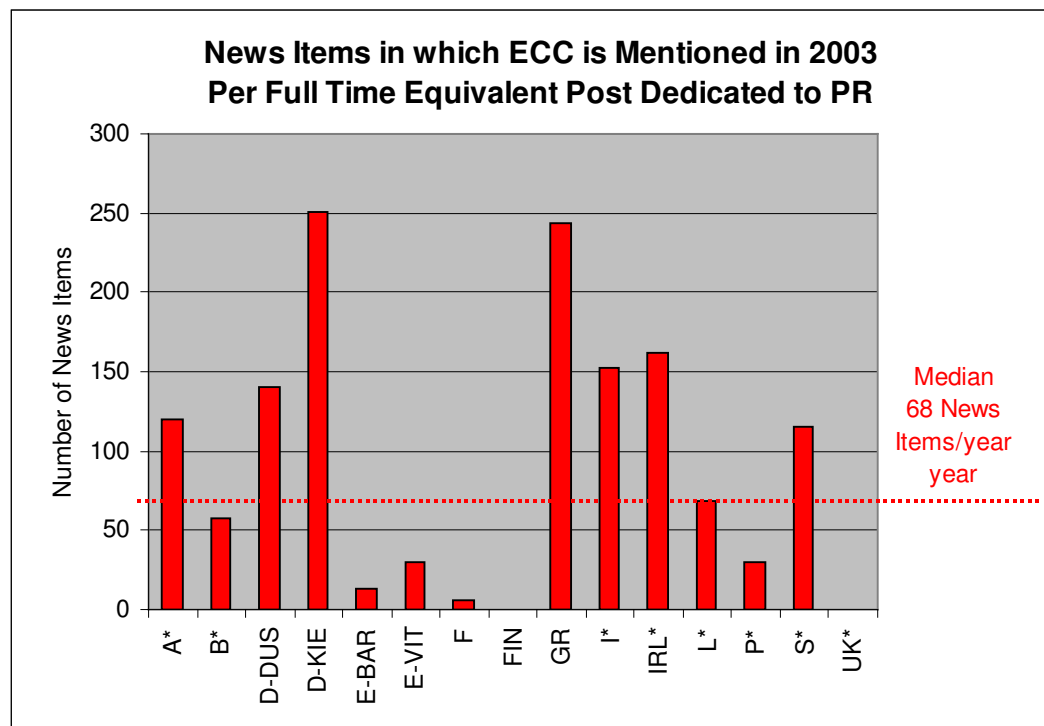
The rate of response to a specific media activity is an indicator of the quality of the PR activity. It is calculated by dividing the number of news items in which the ECC is mentioned by the number of PR activities performed. The median response rate of all ECCs is 0,77. This means that 100 PR activities led to 77 news items in which the ECC is mentioned. The variation in the response rate for individual ECCs was between 0,38 (ECC Lisbon) and 1,48 (ECC Bolzano). **These figures indicate a high level of quality of PR activities.** Most of these activities were not large media events. For example, of the 129 PR activities of the ECC Stockholm only 9 were press releases or conferences (which might result in a number of reports). The remaining 120 activities were participation in radio and TV programmes and answering requests of journalists, which normally can only result in a maximum of one news item. In many cases files of the ECCs showed that interviews by TV, radio and newspapers directly led to a news item. This shows that journalists are content with the information and receive the material they need to produce a story. Additionally, most ECCs did not have a tracking system for news items which would allow to fully track media coverage. Especially news items in the local and regional press/radio are in many cases not easy to track.



Note: Finland – no media tracking. UK – no data available.

The performance of the individual ECCs in PR (i.e. with respect to the number of news items in which it is mentioned) per full time equivalent post dedicated to this function is presented in the next graph. Please note that in some ECCs the aver-

age staff time dedicated to PR is less than 1 full time equivalent post. The numbers of news items indicated in the graph below therefore may be higher than the actual number of news items in 2003, as it refers to the theoretical number which would have been expected if each ECC had dedicated precisely 1 full time equivalent post to this function. Please also note that the staff capacity dedicated to promotion and information was not only used for direct contact with the media, but also in producing information brochures and documents, which only indirectly leads to media coverage. It would, therefore, not be appropriate to calculate the staff time needed (or budget involved) to produce one news item in a media outlet.

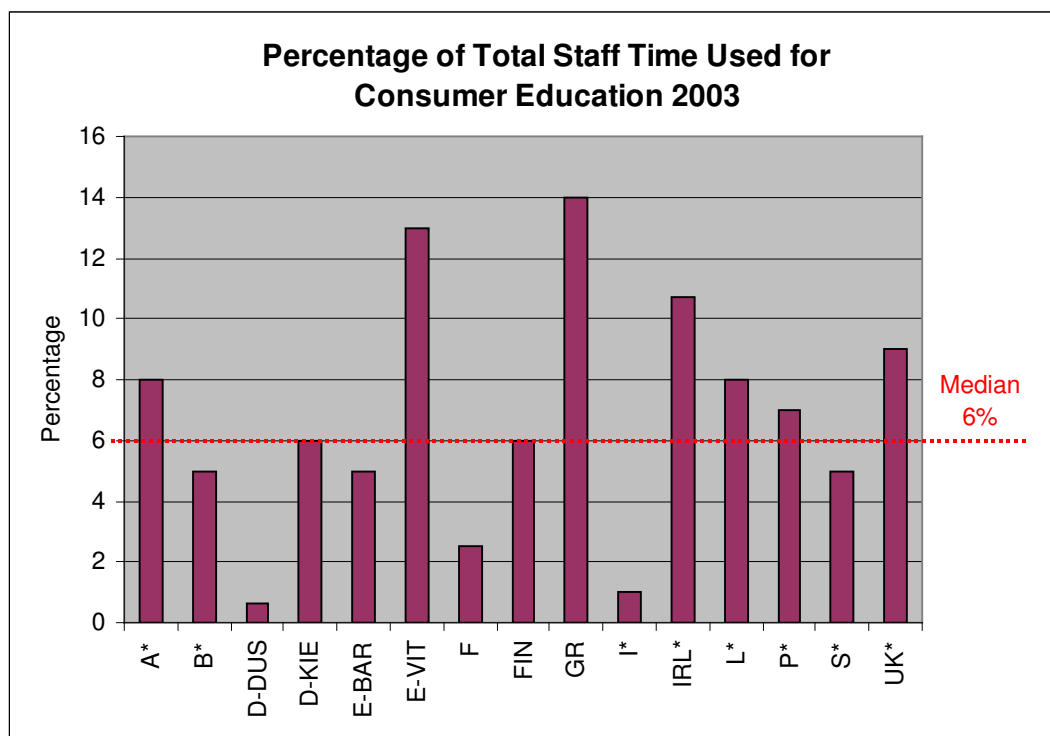


Note: Finland – no media tracking. UK – no data available.

The above graph indicates that very significant differences in performance between individual ECCs exist, which shows a strong need for training in effective information and promotion and possibly a mentoring and/or internship programme involving the “media oriented” ECCs. It is also obvious that there is no clear relationship between high activity related costs for information and promotion and media coverage or performance (the only exception possibly being the ECC Athens).

3.4 Consumer education

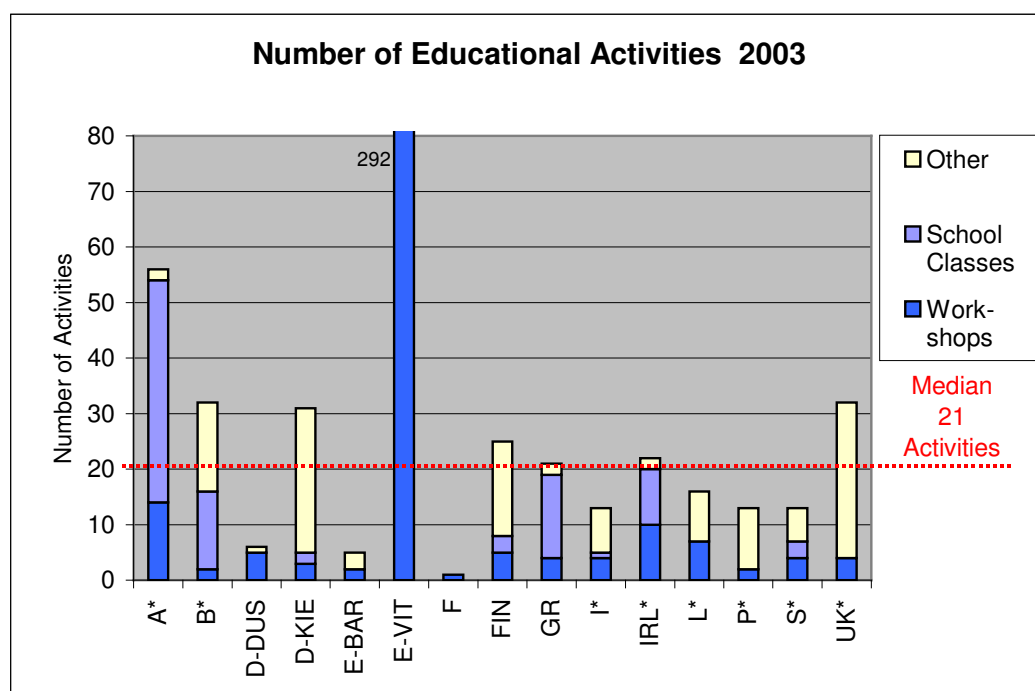
Most ECCs spend very little time on consumer education, in schools, educational or other institutions. Those which do are primarily involved through their hosting body. This seems to be a consequence of prioritising use of resources in the other areas of activity rather than being related to a lack of need for educational activities. The following graph shows that the median of the staff time involved in consumer education is only 6%. Only three ECCs use more than 10% of staff time for educational activities.



The top of the list is the ECC Athens, which identified the need to train traders as a priority to improve standards of customer care in the country, particularly in view of the high number of foreign tourists which were expected for the Olympics. The UK ECC also prioritises training and in particular focus on designing and delivering training to staff and volunteers in the Citizens Advice Bureaux network.

3.4.1 Outputs

The median number of educational activities is 21. An exceptional number of educational activities is reported by the ECC Vitoria (292, of which 285 workshops) through a private contractor. The lowest number of educational activities was organised by the ECC Lille, mainly due to the difficult situation the ECC was in during 2003. The respective number for 2002 was 9, much closer to average values. The following graph gives also an indication which types of educational activities are performed.



The first category reflects the number of workshops and conferences financed from the ECC budget and workshops or conferences organised by third parties to which ECC staff was invited to hold a presentation. The second category included the number of school classes visited by ECC staff and the number of school classes visiting ECC premises. The third category included educational seminars to professional groups (journalists, teachers, staff of consumer organisations, consumer advisors etc.) and other activities.

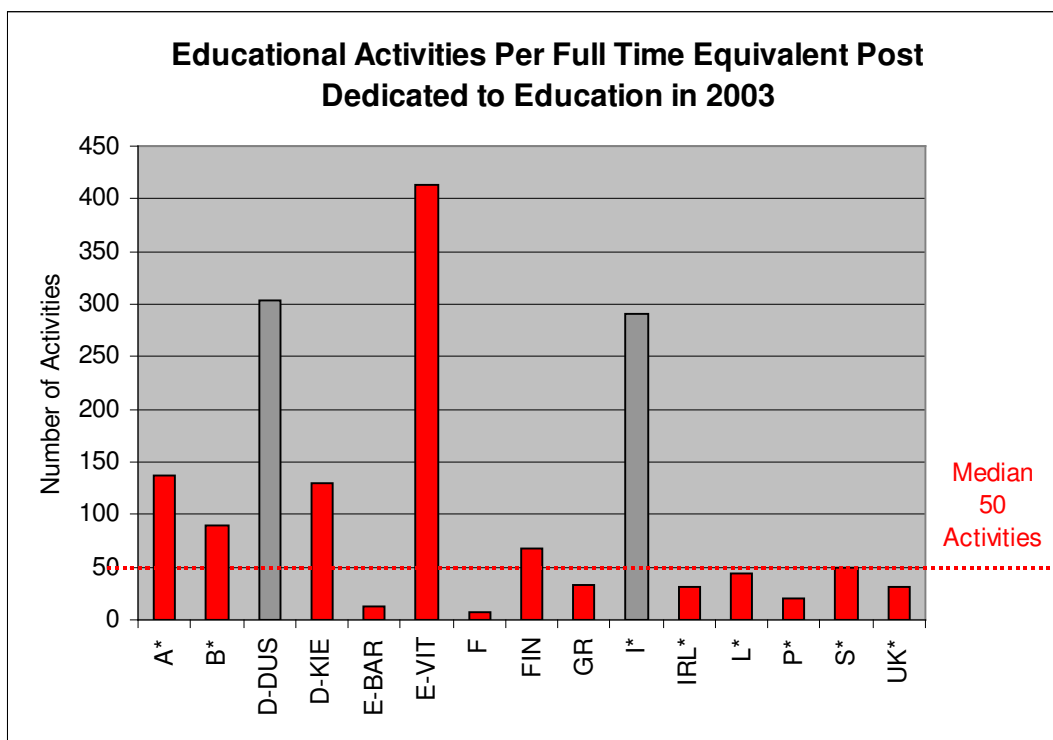
3.4.2 Outcomes and performance

No numeric outcome indicator was defined. This would imply measuring the success of educational activities, an effort with considerable methodological problems which could not reasonably be expected from ECC staff for a function which is not an explicit priority. However, during the evaluation visits a mixed picture was presented to the evaluators with respect to educational activities.

For example, during the evaluation visit to the ECCs Athens disappointment was expressed with the results of the workshops held in two Olympic cities. Also, the staff of the ECC Stockholm concluded that specialist staff are more effective in the school-based education and, therefore, the ECC is no longer directly involved in such activities.

There is a wealth of material available in ECCs, albeit designed for direct use by consumers, which could be adapted for use in school and other educational and training institutions. However, teachers seem not to have the time to work on adaptation of materials, and therefore the resource is not being exploited in this way. The Director of ECC Bolzano has made specific efforts, for example, to encourage such usage of materials, but so far without results.

The following graph presents data on the performance of individual ECCs in the area of education per full time equivalent post dedicated to this function.



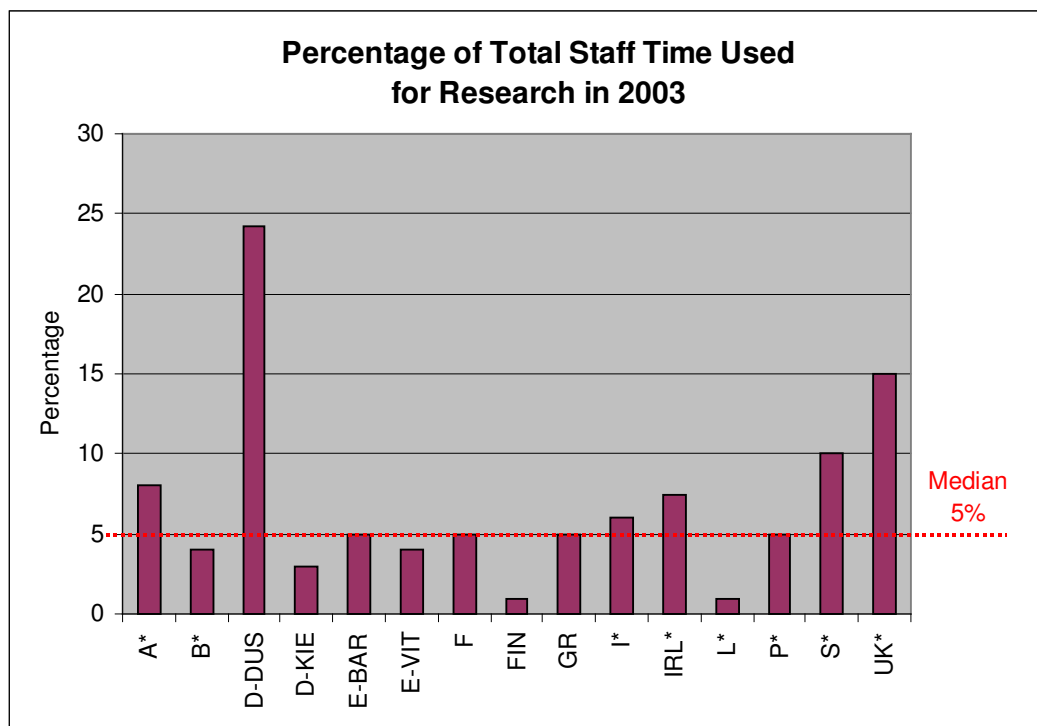
Note: Germany/Düsseldorf and Italy - the colour grey indicates that less than 2 % of staff time is used for educational activities and the calculated value of the performance indicator therefore is distorted.

Please note that in all ECCs the average staff time dedicated to education is less than 1 full time equivalent post. The numbers of educational activities indicated in the graph are therefore higher than the actual number of activities in 2003, as it refers to the theoretical number which would have been expected if each ECC had dedicated precisely 1 full time equivalent post to this function.

3.5 Research

3.5.1 Inputs

Research is one of the lowest priorities of the ECCs, at least in terms of staff working time used for this function. The median is 5%. The obvious exception is the ECC Düsseldorf, where 24% of staff time is dedicated to research, making it a “research oriented” ECC. Substantial time (in fact the highest staff working time in absolute terms) is also invested by the UK ECC into research.



The total number of staff hours dedicated to this function varied in absolute terms between 63 hours per week in the UK ECC and 2 hours in the Luxembourg ECC, the median being 12 hours.

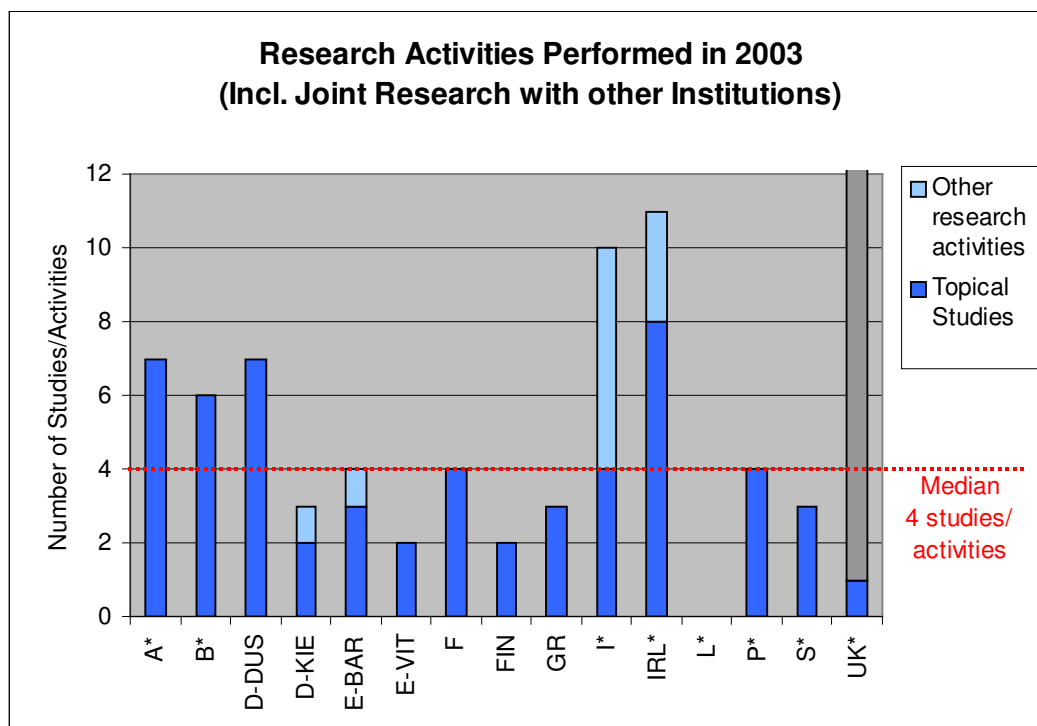
Only in the ECCs Düsseldorf and London/Wolverhampton were activity related costs reported with respect to research, the total being approximately 12 000 Euro.

3.5.2 Outputs

In the questionnaire, the ECCs were invited to provide details on their research activities. Two categories were differentiated:

- Number of topical studies (such as cross-border comparisons of prices, legislation and other research)
- Other research activities

The results are provided in the following graph:

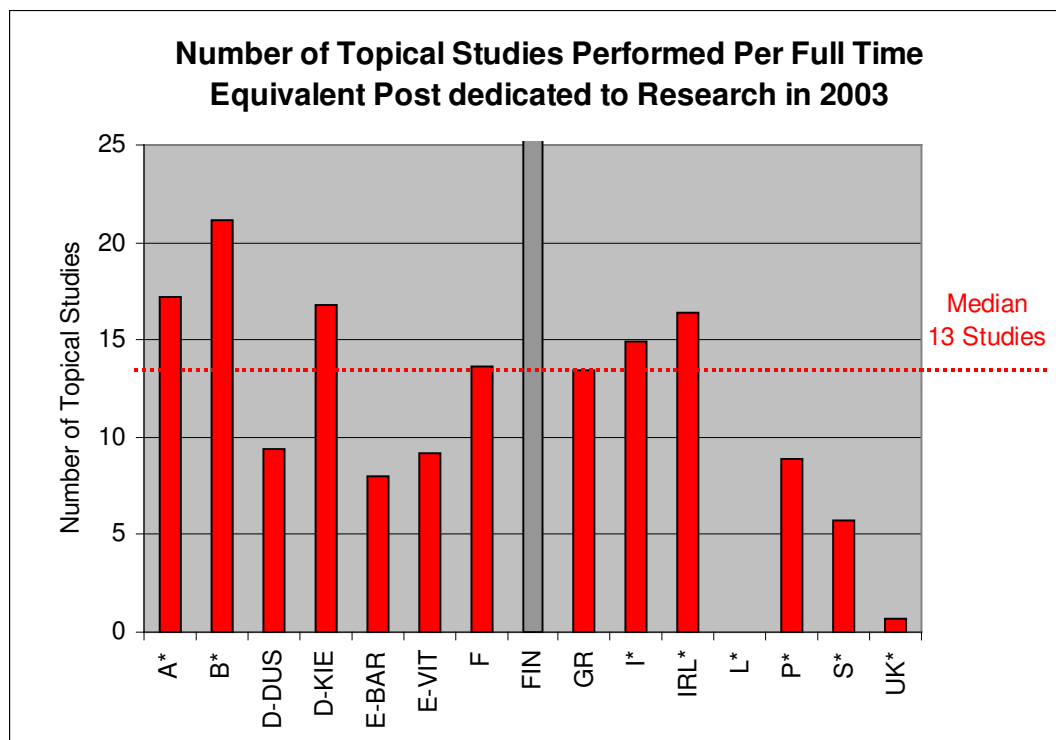


Note: UK – insufficient data on other research activities

In most ECCs the number of topical studies varied between 2 and 6, the exceptions being Luxembourg (0), the UK (1) on the one hand and Ireland (8), Germany (Düsseldorf) and Austria (both 7) on the other hand. However, this data has to be interpreted with care. The items listed as topical study differ widely and include one-page research as well as reports of over 50 pages. Even more variation was found in the category “other research activities”, which therefore has not been included in the subsequent assessment.

3.5.3 Outcomes and performance

The following graph provides an overview of the performance of the individual ECCs in the area of research. Please note that as in the previous section in all ECCs except the UK the average staff time dedicated to research is less than 1 full time equivalent post. The numbers of topical studies indicated in the graph are therefore higher than the actual number of studies performed in 2003, as it refers to the theoretical number which would have been expected if each ECC had dedicated precisely 1 full time equivalent post to this function.



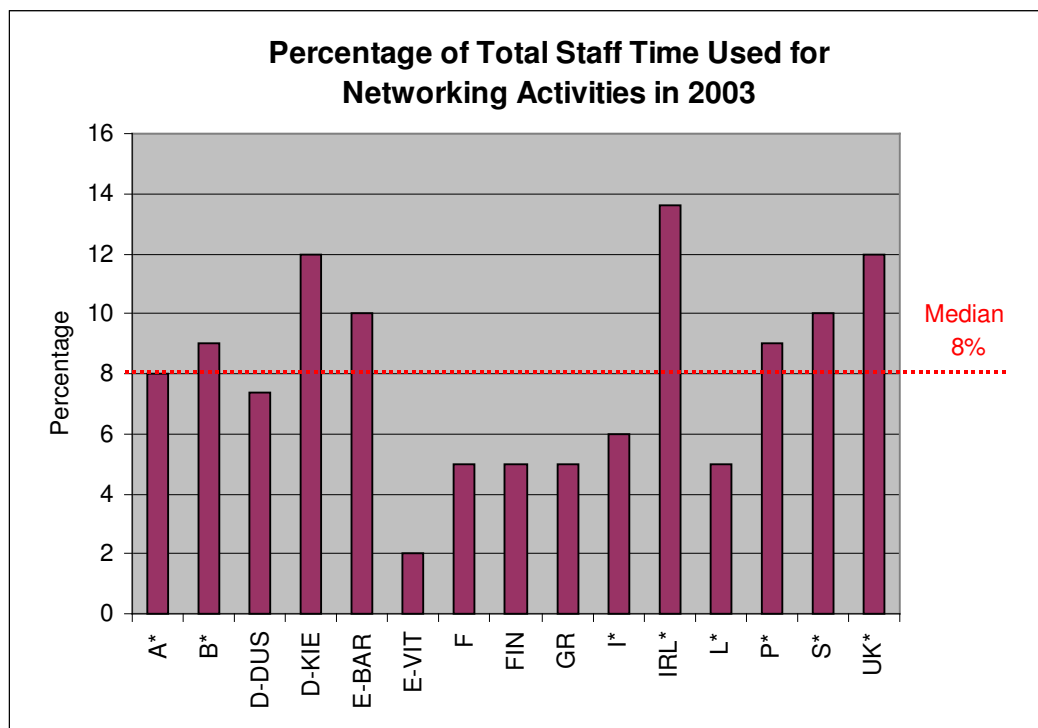
Note: Finland and Luxembourg - the colour grey indicates that less than 2 % of staff time is used for research and the calculated value of the performance indicator therefore is distorted.

Please note that the graph does not take into account the intensity of time or involvement in the various studies and has therefore to be interpreted with great care. For example, the performance of ECCs which have led network research in various areas such as the ECCs Düsseldorf and Stockholm are rated relatively low, as more time was invested in each study. In contrast, ECCs participating in a number of studies without being a leader such as the ECC Austria were rated comparatively better, as less time was invested in each study.

The UK ECC rated very unfavourably, as seemingly a lot of staff time is invested in “other research activities” on which insufficient data was available to the evaluators. The ECCs Helsinki and Luxembourg both invested less than 2% of staff time in research and were therefore marked in grey.

3.6 Feedback and networking

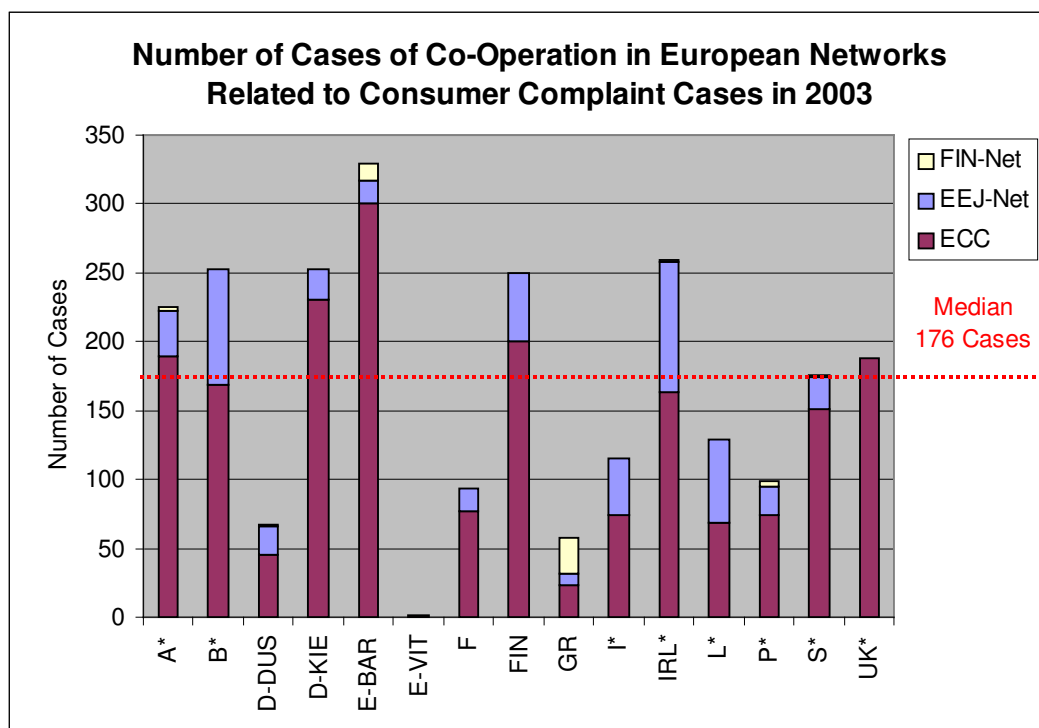
The average percentage of staff time used for networking was estimated to be higher than the amount of time spent on research. The median of all ECCs was 8%, with most ECCs spending between 5% and 10% of other staff time for this function. The highest percentage was reported from the ECC Dublin (approx. 13%), the lowest from Vitoria (2%).



Of activity related costs only travel costs may be seen as related to networking. The highest travel costs incurred by ECCs Stockholm (20 648) and Dublin (16 997). In total, the travel costs of all ECCs amounted to 116 332 Euro, or less than 8 000 Euro per ECC.

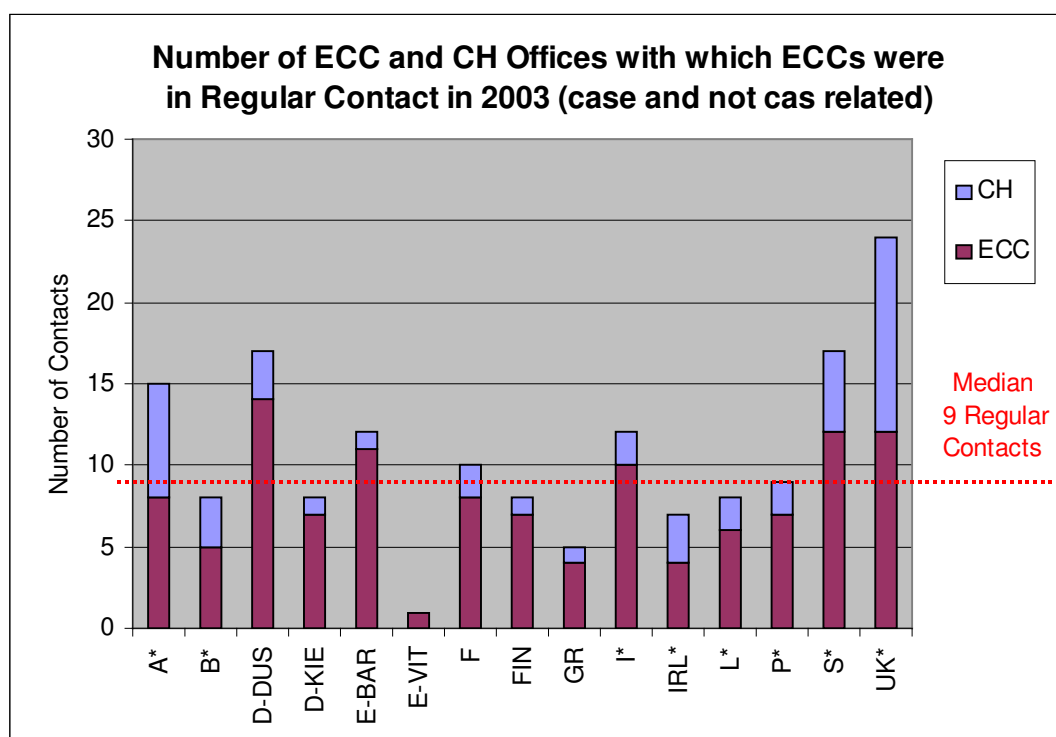
3.6.1 Outputs, outcomes and performance

The outputs of networking are difficult to assess in numerical values, as formal and informal contacts are an important element of networking. For the aim of this study the number of cases of co-operation was used as criteria. After testing the questionnaire in Stockholm it was decided to include in this number not only the formal number of cases received by other ECCs or transferred to them, but also the number of cases discussed with other ECCs (but not transferred). This last category contained a significant number of cases, an indicator of the high level of informal contacts in the network. In total nearly 2000 cases of co-operation in the ECC network related to consumer complaint cases were reported for 2003. The total number of cases of co-operation with the EEJ-Net was approximately 500, with the Fin-Net just under 50. The cases of co-operation by ECC is illustrated in the following graph. The median number of cases was 176:



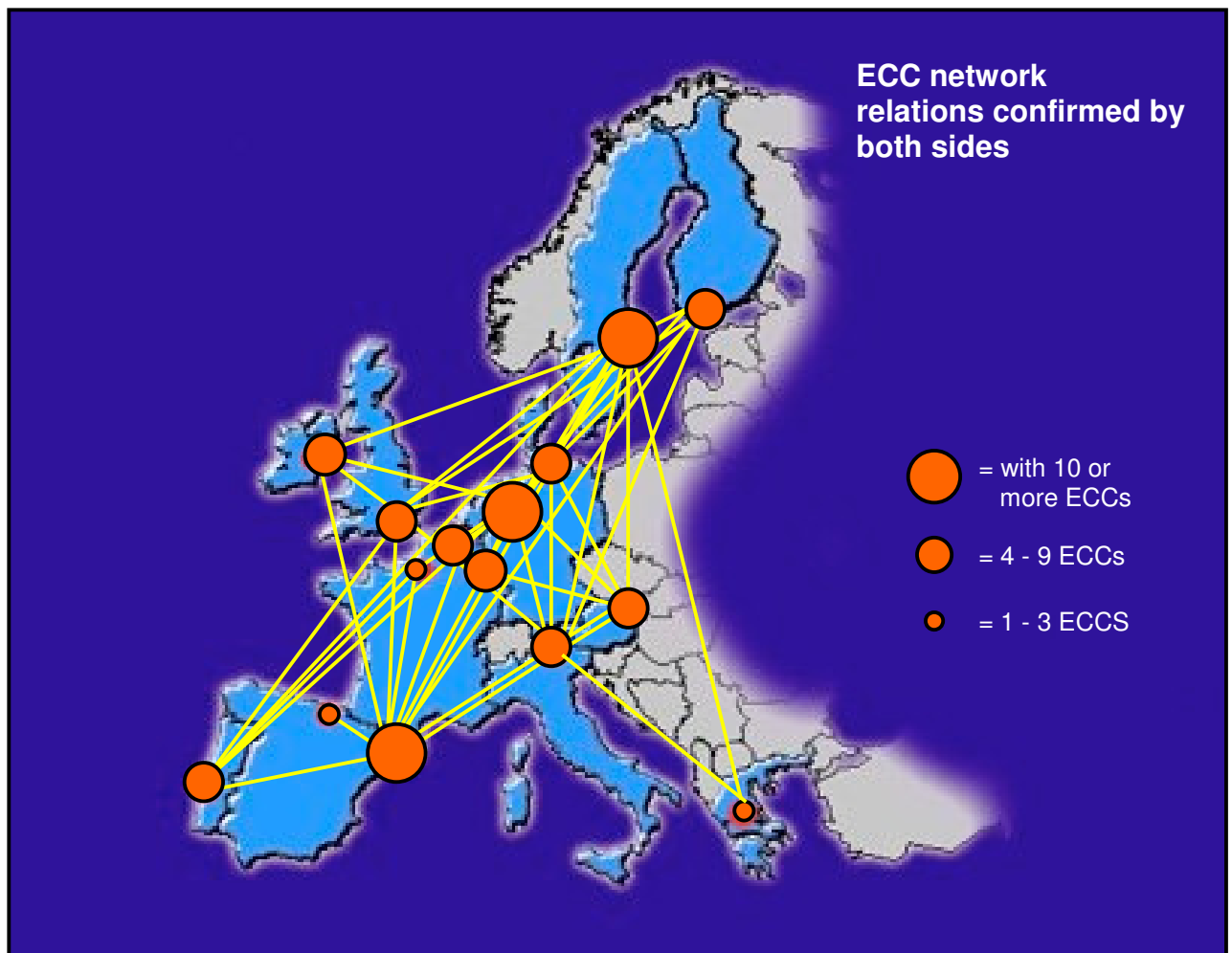
Note: UK data combined CH and ECC data

The figures show that the EECs are quite active in case related cooperation inside the network and with the EEJ-Net. The Fin-Net seems to be of less importance, no surprise considering the fact that the consumer internal market in financial services is very limited. It is interesting to see that all ECCs except Vitoria are in regular contact with Clearing Houses of the EEJ-Net, including the ECCs not yet merged with the national Clearing House (no star* at the name in the graph).



The number of cases per full time equivalent post was calculated to give additional information on the performance of the network. The results confirmed the high level of network activity with a median of 338 cases of co-operation in European networks per full time equivalent post dedicated to networking.

In an additional step, a network map on the confirmed network relations in the ECC network was drawn. In the graph below each line connecting two ECCs indicates a regular contact between the ECCs confirmed by both sides. The size of the red circles marking the location of the ECC indicates the number of confirmed relations. From this it may be deduced that the ECC network has three “hubs” which are in regular contact with almost all other ECCs: these are the ECC Stockholm which is very active in almost all network activities and also in mentoring; the ECC Düsseldorf which led a number of network research projects; and the ECC Barcelona which is, among others, the centre for complaints related to timeshare.



4. Assessment of performance of individual ECCs

4.1 Assessing the performance of individual ECCs

Several of the graphs in the previous section illustrate that there are striking differences in the performance of individual ECCs. The indicators presented allow for a comprehensive comparative assessment of the performance of the ECCs, which is presented in this section.

In line with the methodology of this evaluation study *performance* is here not understood in a general sense (which is hardly possible to define and quantify unambiguously), but related to specific functions. The performance with respect to the following functions has been assessed:

- Performance in the area of assistance (total number of cases)
- Performance in the area of assistance (number of cross border cases)
- Performance in the area of information and promotion (number of news items in which ECC is mentioned)
- Performance in the area of education (number of educational activities)
- Performance in the area of research (number of research activities)

Before the results of the comparison of the performance of individual ECCs are analysed in detail it is important to stress that it is *not* intended to give a ranking of the ECCs according to their performance. This would not be adequate because a ranking could not reflect the particularity of the situation in each country such as differences in consumer behaviour. Confounding factors include:

- The individual ECC can influence the number of cross-border cases presented to it only to a limited extent. More intensive PR generally leads to more consumers seeking advice, but only as long as there is unsatisfied demand for such a service. This, of course, depends on a variety of factors such as the levels of cross-border shopping and the number of tourists visiting the country. The question of capacity and demand is addressed separately. In very general terms, there exists a north-south divide in terms of cross-border shopping in the EU, which is partly compensated by high tourism levels (see section 6.4). The absolute number of cross-border cases can therefore be expected to be lower in countries such as Spain, Portugal and Greece.
- Average salaries are still very different in the EU member countries. Because of the uniform EU contribution ECCs in countries with a low salary level tend to have larger staff numbers. As demand does not necessarily increase proportional to the staff numbers of the ECC, larger ECCs can be expected to have a lower performance per full time equivalent post than smaller ECCs.
- Finally, in countries where the organised consumer movement is still relatively weak the ECC may have a much more important role to play as in countries with a developed consumer information and advice infrastructure. The ECC may constitute one of the few professionally working institutions in the area of consumer advice, naturally attracting requests from consumers with purely national problems. As it is difficult in such a situation to categorically focus on cross-border cases, the number of national cases may in-

crease, leading finally to a shift in focus. The ECC could play an important role in the development of the national consumer protection system, however, this might not be reflected in the selected performance indicators.

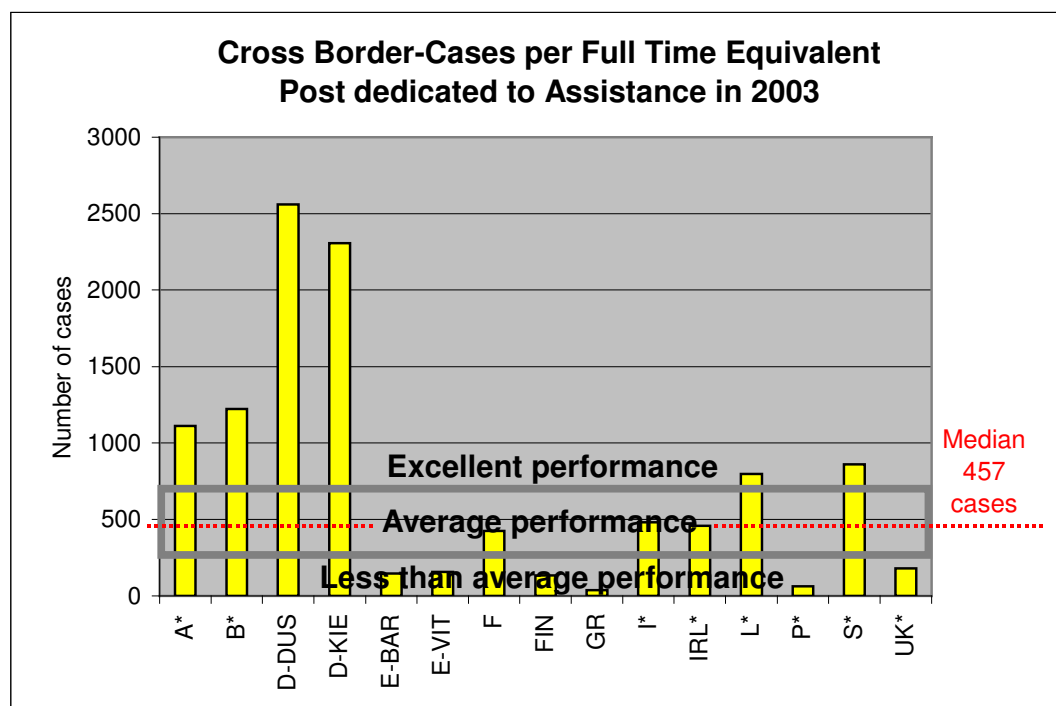
However, the existence of these confounding factors does not make the analysis of performance of the individual ECCs obsolete, because ECCs have also a lot in common: All ECCs operate with a similar mission, the level of budget and staff is different but still roughly in the same dimension, the ECCs have a high level of communication within the network which provides the same level of information to all parties and finally, each ECC can and has to deal with clients from all Member States, which means at least in principle a similar group of clients.

While interpreting the results it has to be kept in mind that indicators used here relate to the relative performance of each centre with respect to all other centres. The absolute levels of performance of the ECC network as a whole and the related costs per unit of activity will be presented later in this report (see section 7). Here, the point of reference in all cases is the median, i.e. that value that separates the highest half of the sample from the lowest half.

To assess the performance of the individual ECCs, the output of each ECC in terms of a specific function in 2003 (e.g. the number of consumers assisted) was put into relation to the number of full time equivalent posts dedicated to this function and then compared to the median value of all ECCs. This approach allows a fair comparison of ECCs, as differences in staffing and the variations in the distribution of total working time are taken into account. The following four levels of performance were differentiated:

- **Excellent performance** – performance per full time equivalent post is higher than 1.5 times the median value of all ECCs;
- **Average performance** – performance per full time equivalent post is between 1.5 times the median and 0.5 times the median;
- **Less than average performance** – performance per full time equivalent post is lower than 0.5 times the median;
- **Unacceptable performance** – performance per full time equivalent post is lower than 0.5 times the median and the evaluation visit found significant shortcomings in the professional level of operations.

The graph on the next page shows that with respect to assistance in cross-border cases six ECCs have an *excellent* performance per full time equivalent post dedicated to this function, and six more ECCs have only a *less than average* performance in this respect. Finally three ECCs have an *average* performance in a range near the median.



A similar assessment has been done with the other indicators mentioned above (all calculated per full time equivalent post dedicated to the function). The results were compared with the results of the evaluation visits. In exceptional cases the assessment was adjusted to take into account a specific situation which distorted the picture (see evaluation reports for the individual ECCs in part II of this report). This was clearly marked in the summary evaluation table on the next page.

The table illustrates that **eight of the ECCs have an excellent performance with respect to at least one function** (Bolzano, Brussels, Dublin, Kiel, Düsseldorf, Luxembourg, Stockholm and Vienna). The remaining ECCs are performing less than average in certain areas but often this is counterbalanced by better performance in other areas. **None of the ECCs performs less than average in all areas** and none of the ECCs shows a fully unacceptable performance for any function. However, even with these positive general conclusions the evaluation showed also some weaknesses and significant potentials for improvement. To identify these potentials the performance of the individual ECCs was related to institutional criteria, which were assessed during the evaluation visit. Institutional criteria include the institutional set-up of the ECC, the relative autonomy reflected by the degree of formal separation from its host structure (where it exists), its integration into the respective national system of consumer protection, its integration into the ECC-network, the geographic area of its activity (whether rather national or regional), and, finally, the ECC's orientation on genuine European and cross-border issues.

In the summary table, the 15 ECCs are grouped according to the last criteria in:

- ECCs with a higher degree of cross-border orientation
- ECCs with a lower degree of cross-border orientation

Summary table: Assessment of ECCs

ECCs with a higher degree of cross-border orientation										... lower degree of cross-border orientation					
Year: 2003	ECC	Barce-lona	Bolzano	Brussels	Dublin	Düssel-dorf	Kiel	Lille	Luxem-burg	Stock-holm	Vienna	Athens	Helsinki	London	Lisbon	Vitoria ³⁾
Criteria		Spain	Italy	Belgium	Ireland	Germany	Germany	France	Luxemb.	Sweden	Austria	Greece	Finland	UK	Portugal	Spain
Full time equiv. posts		7.5	4.5	7.1	6.5	3.1	4.0	5.9	4.5	5.2	5.1	4.5	6.2	10.2	9.0	5.4
Number of cases		2461	1417	5493	5739	3365	6174	1492	2181	2369	3421	(452)	6829	492	8068	17859
% cross-border cases		22%	91%	68%	24%	95%	74%	100%	99%	85%	99%	9%	8%	? ⁴⁾	4%	3%
<i>Performance per full time equivalent post</i>																
Consumer Assistance (all cases)		++	+	+++	+++	+++	+++	+	++	++	++	(+)	++	²⁾	++	++*
Consumer Assistance (cross-border cases)		+	++	+++	++	+++	+++	++	+++	+++	+++	(+)	+	+	+	+
Information and Promotion (news items)		+	+++	++	+++	+++	+++	+	++	+++	+++	++*	No tracking	²⁾	+	+
Consumer Education		+	¹⁾	+++	++	¹⁾	+++	+	++	++	+++	++	++	++	+	++*
Research (topical studies)		++	++	++*	++	+++*	++	++	¹⁾	++*	++	++	¹⁾	²⁾	++	++
<i>Institutional criteria</i>																
Institutional set-up (hosting body)		Regional Consum. Institute	Regional Consum. Organis.	Regional Consum. Organis.	Separate legal entity	Regional Consum. Organis.	Regional Consum. Organis.	Regional Govern-ment	Separate legal entity	National Authority	National Consum. Organis.	National Consum. Organis.	Environ-mental Agency	National charity	National Consum. Institute	Regional Govern-ment
Degree of separation from the host structure		Medium	High	High	No host body	Medium	High	Medium	No host body	Medium	Medium	Low	Medium	Low	Medium	Low
Geographic area of activity		Regional/national	Regional/national	Nation-wide	Nation-wide	Nation-wide	Nation-wide	Nation-wide	Nation-wide	Nation-wide	Nation-wide	Nation-wide	Nation-wide	Nation-wide	Nation-wide	Regional/national
Orientation on cross-border/European issues		Medium	High	High	High	High	High	High	High	High	High	Low	Low	Low	Low	Low
Integration in ECC network		High	Medium	Medium	Medium	High	Medium	Low	Medium	High	Medium	Low	Medium	Medium	Medium	Low
Integration in nat. system of consumer protection		Medium	Medium	High	High	High	High	Low	High	High	High	Medium	High	High	High	Low

+++ = Excellent performance
 ++ = Average performance
 + = Less than average performance
 O = Unacceptable performance

1) No assessment because less than 2% of staff time used for function.
 2) No assessment possible because of insufficient data.
 () = preliminary assessment, first year of operation of ECC

3) Including activities of subcontractors.
 4) Number of national cases not reported.
 * Performance indicator adjusted on basis of evaluation visit (see individual reports in part II)

4.2 ECCs with a higher degree of cross-border orientation: *Barcelona, Bolzano, Brussels, Dublin, Düsseldorf, Kiel, Lille, Luxembourg, Stockholm, Vienna*

The first group consists of ECCs which mostly have a higher degree of cross-border orientation. Seven of these ECCs are almost entirely dedicated to European items and to cross-border assistance. In Bolzano, Düsseldorf/Gronau, Kiel, Lille, Luxembourg, Stockholm and Vienna, three quarters of cases or more were cross-border. The slightly lower percentage in Brussels/Eupen (68%) was explained with the policy that consumers with local or national problems calling the ECC by mistake (instead of the host organisation) were not rejected. In Dublin, the percentage of cross-border cases is only 24%, but up from 10% in 2002. A management decision was taken to exclusively focus on European and cross-border issues, which was already reflected in assistance cases in 2004 (in the period January to end June 2004 there were 65% cross-border queries). In all these ECCs the orientation on cross-border/European issues was assessed to be high by the evaluation team. This criteria does not only refer to the relative importance of cross-border cases in assistance, but also to the general orientation of the ECC as it is reflected in the focus of PR activities and the public profile of the ECC. Only in Barcelona, orientation on cross-border/European issues was assessed to be medium. In this ECC, the percentage of cross-border cases was only 22% in 2003.

It is of interest to see that the first group of ECCs share some general characteristics:

- **Eight of the ten ECCs have an excellent performance in at least one function** (Bolzano, Brussels, Dublin, Düsseldorf/Gronau, Kiel, Luxembourg, Stockholm, Vienna). In hardly any function a less than average performance was observed among these ECCs. The two remaining ECCs are Barcelona and Lille, which are rather characterised by an average to less than average performance. Some of the factors which have to be taken into consideration when comparing the performance of ECCs have already been discussed. In the case of Barcelona, the North-South divide in terms of cross-border shopping may be of relevance, resulting in a relatively low number of clients for cross-border assistance. One also has to consider the relatively high number of staff of the ECC and the fact that a considerable number of these cases are related to time-consuming time-share-problems. In Lille, the ECC was in a difficult situation in 2003, when its very existence was threatened. PR activities were reduced to not attract too many cases which could not be dealt with in case the centre would be closed. In 2002, the ECC Lille dealt with double the number of cases and produced more than triple the number of news items in media – this would certainly have led to a better performance assessment.
- **Most ECCs in this group have a relatively high degree of separation from their hosting organisation.** Two of them (Bolzano and Kiel) are located on premises other than the host body and are functioning rather independently (high degree of separation). The same is true for Dublin as an independent entity, which has no host body and is located in its own premises. The Belgian ECC is located in Eupen in the premises of the mother organisation (but on separate floors) and in Brussels in own premises. The Stockholm ECC is located in a separate office inside the prem-

ises of the mother organisation, but classified by the latter as being the most independent department of the entire structure – still in the overall picture slightly less separated than the previous examples (medium degree of separation). The ECC Luxembourg, which, although legally independent, is still located in the premises of its former host body with an insufficient separation of its rooms from those of the former host body. An important feature of the relatively high degree of separation from the hosting body is that all mentioned ECCs have far-reaching autonomy in their PR activities. In contrast, in the remaining ECCs of this group the degree of separation from the hosting organisation is lower, although still being assessed as medium. For example, in the ECC Vienna, the PR department of the host bodies is also handling ECC PR, setting its own priorities in the process. Also, in the ECC Barcelona PR activities are usually realised using the services of the press department of the Ministry of Commerce, Tourism and Consumption, therefore limiting the independent profile of the ECC.

- **Nine of the ten ECCs are highly or medium integrated in the ECC network.** All three network “hubs” (Barcelona, Düsseldorf/Gronau and Stockholm) fall into this group. Only for one ECC (Lille) the degree of integration in the network was considered to be low.
- **The majority of the ECCs in this group were found to be free from noticeable problems with respect to the internal structure and/or focus of work.** Problems noted in four of the ten ECCs include:
 - The distribution of competencies between the director of the ECC Düsseldorf/Gronau and the project coordinator of the host body seems to be unclear, which might partly be the consequence of locating the ECC director in Düsseldorf at the hosting body separate from the advice centre in Gronau with two permanent staff (total staff: 3.1 full time equivalent posts). Besides that, employment costs per full time equivalent post were found to be exceptionally high because of the practice of the hosting body to calculate hourly fee rates for non-permanent staff well above the average of all other ECCs. However, the ECC communicated to the evaluation team that this practice is supposed to change in the near future.
 - In the ECC Vienna, there is no direct financial contribution of the Austrian government to the ECC, which is co-financed by the hosting body (VKI) itself. VKI receives governmental funds, but still has a relatively high level of income through the sales of a consumer magazine and publications. The reluctance of the Austrian government to provide direct funding poses a threat to the ECC, as the hosting body – like most consumer organisations in Europe – is increasingly confronted with financial problems. As a consequence, the ECC has to resist pressure from the hosting body to withdraw personnel capacities from European tasks to assign it to national purposes. Also the high activity related costs of the ECC, which are partly used for the production of a high number of promotional brochures (be it on European topics) have to be seen in this context.
 - The complete separation of functions between the ECC Luxembourg and its hosting body ULC led to considerable difficulties between the two entities.
 - The problematic situation of ECC Lille in 2003 has already been mentioned.

4.3 ECCs with a lower degree of cross-border orientation: *Athens, Helsinki, Lisbon, London, Vitoria*

The remaining five ECCs have a lower degree of cross-border orientation. None of these ECCs is mostly dedicated to European items and to cross-border assistance. In four of the ECCs the percentage of cross-border cases is below 10% (Athens, Helsinki, Lisbon and Vitoria). In the ECC London/Wolverhampton the percentage could not be assessed as the number of national cases dealt with by ECC staff was not reported. In all five ECCs the orientation on cross-border/European issues was assessed to be low by the evaluation team. This criteria does not only refer to the relative importance of cross-border cases in assistance, but also to the general orientation of the ECC as it is reflected in the focus of PR activities and the public profile of the ECC.

Also, the ECCs in this group share some general characteristics:

- **None of the five ECCs in this group have an excellent performance in any function**¹⁶. In the case of the ECC Greece these problems can be seen in the context of the recent establishment of the ECC and the lack of experience of the host body with its operation. Also some of the confounding factors mentioned above may play a role: The ECCs in Athens, Lisbon and Vitoria are located in countries with a relatively low incidence of cross-border shopping (see section 6.4). However, this could not be said from the ECCs London/Wolverhampton and Helsinki. A second distorting factor (the high staff level leading to lower performance per full time equivalent post) could be relevant in both the ECCs Lisbon and London/Wolverhampton, the two ECCs with the highest staff number. But in both cases also the absolute number of cross-border cases is very low, not only the number of cases per consumer advisor. Therefore other reasons also have to be relevant.
- **All ECCs in this group have a low or medium degree of separation from their hosting organisation.** None of the ECCs has a separate office from the hosting body (also in the ECC Athens at least part of the premises are used jointly). The ECCs of Athens, London/Wolverhampton and Vitoria are fully integrated into the host organisation with a resulting lack of autonomy. In all cases a significant amount of staff resources are used to deal with purely national issues. In the case of the ECCs Helsinki and Lisbon a part of the staff explicitly is assigned to national tasks. In the case of London/Wolverhampton, the ECC basically constitutes the capacity of the hosting body in the area of consumer advice. Consequently, mostly national issues and priorities define the agenda. Not very different is the ECC Vitoria, which forms an important part of the regional governments system to provide consumer advice to the citizens of the region. In the ECC Athens there is a specific situation in that the ECC has more personnel capacities than its hosting organisation INKA. This is not necessarily negative, given that well equipped ECCs might give to the national consumer movement the necessary boost which is not coming from other sources. However, obviously the priorities tend in such a situation to be very much determined by national demands. It is worth mentioning that a lower de-

¹⁶ This refers to the functions where sufficient data was available for assessment.

gree of separation from the hosting body also coincides with a less independent public profile of the ECC, combined with a less than average performance in the area of PR (Lisbon, Vitoria). No or insufficient data was available to assess the performance in this area of the ECCs Helsinki and London/Wolverhampton. In Athens, the number of PR activities and news items generated was impressive, however the lack of focus of the activities led to an “average” assessment.

- **None of the five ECCs in this group is highly integrated in the ECC network.** Whereas the ECCs Helsinki, London/Wolverhampton and Lisbon are holding a medium position in this respect, networking activities in Athens are low and even very low in Vitoria, as expressed in cases discussed with network partners and regular contacts to other ECCs (regular participation in the ECC-meetings in Brussels is not considered here as a high degree of activity). The relatively low level of networking activity by the Athens ECC has to be seen in the context of it being set up in 2003. As its tendency was promising, the stepping down of the director of the ECC is a significant loss.
- **All ECCs in this group were found to have noticeable problems with respect to the internal structure and/or focus of work.** These included:
 - In the ECC Vitoria, some questions have to be asked in regard to the quality of the advice being given there, as the great majority of advice by phone is given by insufficiently trained personnel of a private contractor. Similarly, the regional government contracted a private company to perform nearly 300 educational activities, mainly in schools. While educational activities are in principle always welcome, in this case they are causing concern because many of these workshops were not related to European issues and not to typical ECC-themes (dealing for instance with hygiene and diets).
 - In the ECC London/Wolverhampton, the integration into the well-known system of Citizen Advice Bureaux is a significant asset, but also gives rise to a number of problems. Citizens Advice provides consumer advice through its local CABx with support from the ECC paid staff at a support unit in Wolverhampton (SSU). This local advice is based on the Citizens Advice Information System and is given face-to-face or by telephone. It is provided either by the volunteer staff or the paid staff in the local CABx. They are supported in this by the ECC staff in a number of ways. The ECC paid staff in the SSU provide training to the CABx staff (volunteers and paid staff) and information. They also provide advice and support on individual cases, which is also regarded as a type of training. No statistics were available on the level of cross-border cases dealt with by local CABx except in cases where the ECC staff are contacted. Direct advice to consumers on cross-border cases is only given from the ECC staff through written correspondence (mainly e-mail). This leads to a lack of accessibility for consumers (no direct telephone line) and also to a lack of accountability (the total number of cross-border cases dealt with is not known). In general, the evaluators found a certain lack of transparency in the allocation of resources.
 - In the case of the ECC Athens, some problematic aspects have already been raised, which may be related to the short operating period of the centre since its opening. Possibly this also contributed to the fact

- that PR expenses related to publications, which were distributed relatively unfocused in very high numbers, and TV spots were rather high.
- The main problem in the ECCs Lisbon and Helsinki is the already mentioned decision of the management of the hosting body to assign ECC staff to purely national tasks.

4.4 Conclusions

The comparison of the ECCs in the two groups discussed above allows some general conclusions. Firstly, ECCs can have an excellent performance in one or more function with all types of institutional set up. Whether the hosting body is a consumer organisation, a government body or whether the ECC has a separate legal identity seems to be of secondary importance (this question of institutional set up is discussed in more detail in section 6). Other factors seem to be more relevant:

- ⇒ There seems to be a **strong correlation between a higher degree of cross-border orientation and performance**. Whether a strong cross-border orientation leads to better performance or is only a symptom is difficult to decide. However, some indications exist that a higher degree of cross-border orientation is really the determining factor. As the director of the ECC Dublin explained the decision to reorient the ECC toward European issues: “We wanted to provide a better service with a more focused service”. An organisation with the size of an average ECC might easily get lost, not only in terms of efficiency, but also in terms of public perception, if it does not focus on clearly defined issues. The “niche” of cross-border and European consumer advice and information makes the ECCs clearly distinct from “ordinary” consumer organisations and advice centres and therefore creates an identity which is easy to promote and recognised by possible clients.
- ⇒ Most **ECCs with an excellent performance in at least one function tend to have a higher degree of separation from their hosting organisation**. All five ECCs with a high degree of separation from the host body or without a host body at all have also an excellent performance in at least one function. On the contrary, none of the three ECCs with a low degree of separation from the host body have an excellent performance in any function.
- ⇒ A **higher integration in the ECC network is also correlated to performance**. Two of the three network “hubs” (Düsseldorf/Gronau and Stockholm) also have an excellent performance in at least one function, whereas none of the three ECCs with a low integration in the network (Lille, Athens and Vitoria) have an excellent performance in any function.

5. Recommendations of previous evaluation

5.1 Recommendations for individual centres

Some of the existing ECCs were already subject to an evaluation in 1997 by Wilhelm Consulting¹⁷. At the level of the individual centres, the pilot projects were subject to assessment of the following criteria:

- Cost-effectiveness of performed actions
- Effectiveness of performed actions in the national context
- Evaluation of the location in connection with the above-mentioned criteria
- Evaluation of the locations with regard to the global impact concerning the general public of consumers in the Community

At that time, 22 pilot projects existed, including 5 projects of the Interregio project (*in italics*):

- Barcelona
- Bilbao
- Bolzano
- Dublin
- Flensburg
- Gronau
- Guimaraes
- Kortrijk
- Lille
- Luxembourg
- Mons
- Montpellier
- Patras
- Pontevedra
- Santiago de Compostela
- Torino
- Veurne
- *Kehl*
- *Aachen*
- *Eupen*
- *Heerlen-Hoensbroek*
- *St. Vith*

Of these pilot projects only seven continue to be part of the ECC network. Recommendations from the 1997 evaluation are therefore relevant for the following ECCs only:

- Barcelona
- Bolzano
- Dublin
- Eupen

¹⁷ Wilhelm Consulting, Evaluation of the transborder consumer information pilot-projects, Final Report, 1997

- Gronau
- Lille
- Luxembourg

As for the Belgian pilot project in Eupen no recommendations were given, only six ECCs remain for which the implementation of recommendations can be analysed.

In the previous evaluation, the same recommendations were given to a number of centres. For this reason each of the recommendations will be assessed separately:

Recommendation 1 (Wilhelm Consulting 1997): Clearer promotion of the ECC as an individual project, not just as a department or service of the mother organisation

This recommendation was given to the centres in Barcelona, Lille and Luxembourg. As far as the image is concerned in ECC publications (including the homepage and letterhead), the recommendation can be considered as being implemented there. The premises in both the ECCs Barcelona and Luxembourg are located on the same floor as the hosting body, they do not form a separate unit. In both cases, however, the ECC is clearly identified outside the building. In Lille, the ECC is located in the same premises as other departments of the Conseil Regional Nord Pas de Calais. The premises were being redecorated and improved during the evaluation. It was not possible therefore to make observations about the visibility of the ECC either inside or outside the premises.

In this context it should also be remembered that in the 1997 evaluation report the European dimension of the work was judged as being partially or totally insufficient in 11 of the 22 pilot projects. The only one of the remaining seven centres where the European dimension was rated partially insufficient was Gronau, where this is no longer the case. The negative ratings in the remaining 10 cases was given to projects which were discontinued since then¹⁸.

Recommendation 2 (Wilhelm Consulting 1997): Intensification of Europe-wide exchange of information and services with other ECCs

This recommendation was given to the centres in Barcelona, Bolzano and Gronau. However, it could most probably have been given to all of them. By that time, the network just started to be considered and operated as such; the use of Internet services (especially e-mail communication and homepages) was still at the very beginning. Today, the recommendation can be considered as being entirely implemented; the above mentioned three ECCs are fulfilling to some extent even a lead function in this sense, ranging among the ECCs which are best integrated in the network and which are playing key roles in research and promotion projects (Gronau is considered in this respect as one entity with the Düsseldorf headquarter of the hosting organisation).

¹⁸ Wilhelm Consulting, Evaluation of the transborder consumer information pilot-projects, p. 111

Recommendation 3 (Wilhelm Consulting 1997): Location of the ECC at a more central place in the city (or in the country)

This recommendation was given to the centres in Gronau, Lille and Luxembourg. In all three centres this recommendation has been partly implemented. In the case of Gronau, the 1997 evaluation report recommended to maintain the ECC in its remote location only in the case that more than one German ECC were to exist in the long run. Although many problematic aspects of the location in Gronau are remaining, the problem has been alleviated by the transfer of some important functions in the sector of information and promotion to Düsseldorf.

The recommendation to establish an info-desk or info-shop at a more central place of the city was realised by the ECC Luxembourg only from May to December, 2001 at the premises of the EU Info Point. At the end of 2001 the Info Point was closed; efforts made by ULC and the ECC to find a new location for an info point have not been fruitful so far. The need for such an additional info shop could be questioned because the present location did not prevent many consumers from making personal visits.

In Lille, the recommendation has been implemented by means of including ECC information and materials at the 2 European Information points in the centre of Lille.

Recommendation 4 (Wilhelm Consulting 1997): Increase of manpower capacities

This recommendation was given to the centres in Bolzano and Gronau; in the case of Bolzano it was also combined with the suggestion to increase the budget of the ECC (by that time with an EU contribution of 61 000 ECU) by 25-50%. Due to various reasons the EU contribution for Bolzano has not increased (planned EU contribution in 2004: 62 000 Euro), which also reduced the possibilities to significantly increase the staff. In the case of Gronau, the EU contribution has tripled from the mid nineties level (now for Düsseldorf/Gronau). This has not, however, led to a similar increase in staff capacity due to the high average staff costs in Düsseldorf (see section 3.1). For this reason, the existing staff capacity in both centres is still not in line with the demand or with the function of the ECCs as institutions serving the entire population of the Member States and not just the population of the border region.

In the case of Dublin, no additional staff was considered necessary, but more trained experts with special qualifications were said to be needed, both for assistance tasks and for the daily operation of the ECC. This recommendation has been fully implemented. The recent evaluation visit has shown a high professional level of the ECC staff in Dublin and it is therefore recommended to use this expertise in a mentoring programme for other ECCs.

Recommendation 5 (Wilhelm Consulting 1997): Improvement of technical communication facilities

This recommendation was given to the centres in Gronau and Luxembourg. In the case of both institutions, the recommendation was implemented

Recommendation 6 (Wilhelm Consulting 1997): Intensification of promotion activities

This recommendation was only given to the centre in Barcelona. Evaluation results still point to a deficit in this respect. However, the employment of a journalist in 2003 contributed a lot to an improvement of the situation. Nevertheless, the evaluation team has recommended a further intensification of information and promotion activities.

5.2 Network recommendations

Besides these recommendations which were given to particular ECCs, the Wilhelm Report of 1997 also gave a number of recommendations concerning the entire network and the functioning of the European Commission, including setting up a new management structure of the network.

The first recommendation was “to perform a transition from ‘transborder’ to ‘European’ consumer information”. This was based on the evaluation results showing “that there is no significant benefit from the restriction of the Centres’ location to border areas of the EU Member States. The centrality and importance of a Centre’s location at regional/national level has proved to be of much more relevance for a Centre’s success...”¹⁹

This strategic reorientation of the network was implemented by DG SANCO soon after the evaluation took place and even centres which are still located in a border area have now a clear regional or, in most cases, national orientation (see individual evaluation reports, part II).

Additionally, the Wilhelm Report opted for a network structure with three “hierarchical” levels:

- The management level
- The service level
- The dissemination level

The principle of hierarchy was thought to give the European Commission better possibilities to control the network. The three levels were proposed to have the following design:²⁰

At the management level, two new bodies with leading functions should be established:

- An Advisory Committee, which should define guidelines for the work of the ECCs (called in the report “European Consumer Information Centres”), identify priorities for network actions and make proposals for concrete activities (joint seminars were mentioned). The Advisory Committee should be composed of National and European consumer associations, scientific institutes, European Consumer Information Partners (see dissemination level) and a few selected ECCs. It should have up to 30 mem-

¹⁹ Wilhelm Consulting, Evaluation of the transborder consumer information pilot projects, Final Report, June 1997, p.132

²⁰ Wilhelm Consulting, Evaluation of the transborder consumer information pilot projects, Final Report, June 1997, p. 136 - 142

bers. With this composition, it would have been a larger body than the Consumer Committee which was in place at that time. The question of whether the Consumer Committee (today the European Consumer Consultative Group) could take over the proposed function as well was not discussed.

- A Central Coordination Service, which should develop the strategic planning and carry out many of the executive functions which are the task of DG SANCO in the management of the network. The function should be taken over by an external contractor. The Central Coordination Service should coordinate the annual work plans of the ECCs, organise their meetings, plan concerted actions, carry out visits on the spot and evaluate and monitor the ECCs regularly. It should be made up of a maximum of 8 regular staff.

At the service level, the ECCs should be operated by “national or regional institutes for consumer information”. Besides the existing tasks (“common action fields”) in the general scope of all centres selected centres should also carry out activities in “specific action fields”, e.g. the coordination and management of network-wide database services and the organisation of network conferences.

At the dissemination level, the work of the ECCs should be supported by an institutionalised additional network of so-called “European Consumer Information Partners” which should be composed of consumer associations (national, regional and local), consumer institutions of all types, legal advisors, trade associations, chambers of commerce, regional and local authorities etc. The basic function of this network was suggested to be the dissemination of information elaborated by the ECC-network; it should be entitled to use the common logo of the ECC-network.

Without entering into the details, it is obvious that the proposed superstructure would have been rather costly. Separation of functions in the superstructure was not very clear: the external “Coordination Service” would have taken over genuine functions of DG SANCO. How business associations and chambers of commerce could be motivated to disseminate information from the ECC-network was not discussed. The costs for up to 8 staff of the Coordination Service and the travel costs for the sizeable Advisory Committee and the meetings of the European Consumer Information Partners would have consumed a considerable part of the entire ECC-budget.

Possibly for this reason, the recommendations with respect to the network structure were not implemented.

6. National set-up and location

6.1 Relevant aspects

When analysing the national set-up of the 15 ECCs, two fundamental changes in the overall tasks of the centres must be taken into account:

- The ECCs are no longer considered as institutions serving consumers in border regions when having problems with sellers or providers from the other side of the border; they are now serving the entire population of their respective Member States. At the same time, catering for personal visitors becomes less important, while communication with consumers via telephone, fax, e-mail and letters becomes more and more important.
- The very functions of the ECCs are no longer limited to assistance, they include also important PR functions and contribute to better knowledge of consumers about priorities and activities of the EU consumer policy.

With this background, the following aspects of the national set-up shall be considered in more detail:

1. Location of the ECC in a border region or in the national capital
2. The role of regional vs. national financial support
3. The existence of two ECCs in one Member State
4. Non-profit organisations vs. public authorities as host bodies

6.2 Location of the ECC in a border region or in the national capital

6.2.1 Grouping of ECCs according to location

Of the 22 pilot projects evaluated in 1997, 16 were located in border regions. Today, only 8 of the 15 ECCs are either entirely located in a border region or have an ECC located in the national or regional capital and maintain a branch office in a border town. The following grouping can be done:

ECCs located entirely in places close to the border:

- Bolzano
- Lille

ECCs located in a regional capital (in some cases with branch offices in border towns):

- Barcelona
- Düsseldorf (branch office in Gronau)
- Kiel
- Vitoria (branch offices in Vitoria city centre, Bilbao and San Sebastian)

ECCs located in the national capital with branch offices in a border region:

- Bruxelles (branch office in Eupen)
- Vienna (branch office in Innsbruck)

ECCs located entirely in the national capital:

- Athens
- Dublin
- Helsinki
- Lisbon
- London
- Luxembourg
- Stockholm

These four groups provide ample evidence that location can influence a number of factors, e.g., the access to media and national authorities, the awareness of the target group of the service and also financing. The following conclusions can be drawn in this respect:

6.2.2 Proximity to consumers

A location of the ECC in a regional capital or directly in a border region can lead to a closer relationship to consumers. ECCs in border regions seem to be relatively well anchored among the population in their region; a proven or estimated high number of requests for assistance from the region and frequent reports in the regional media are the evidence. However, “region” must be understood mainly as the region in the country where the ECC is located; demands for assistance from the other side of the border are the exception rather than the rule. There are considerable differences between the ECCs located in border regions; for example, in Bolzano the share of clients demanding assistance living in the northern (Austrian) part of Tyrol is relatively high while in Vitoria hardly any French client was registered.

For the majority of the ECCs, the percentage of personal visitors is rather low, in 9 of the 15 ECCs lower than 10% of cases (in five of them even less than 3%). On the other hand, ECCs which have a long tradition and are well embedded in the region reach elevated figures of personal visitors of up to 20%. The absolute numbers of visitors in some of the centres were 375 in Vienna, 409 in Kiel, 605 in Helsinki and 660 in Brussels/Eupen. These figures rise up to 1 093 in Vitoria, 1 140 in Dublin and 1 368 in Lisbon, three centres which do not have a clear focus on cross-border cases (in Dublin, the focus has now been changed on cross-border cases and the total number of personal visitors is expected to be much lower in 2004). Please note that all figures refer only to visitors to the ECC itself. Visitors to the hosting body are not included.

The social composition of the personal visitors is interesting as well: they were described in some of the ECCs as elderly people or as persons who are (as a consequence of their education and social status) less or not at all familiar with modern communication systems. For this group a visit to an ECC is obviously fulfilling a function which could not be easily replaced by another means of communication. Nevertheless, the general tendency is clearly that catering for personal visitors is less important, especially in the case of ECCs focusing on cross-border cases. The main route of access are telephone and email. An easy access to the ECC can therefore rather be defined as having an internet based communication strategy and clearly advertised phone lines, with a preference for a national hotline where costs for the caller are independent from the location he or she is calling from.

6.2.3 Access to media

When an ECC is located in a regional capital or direct border location, access to the media is, in most cases, limited to regional or local newspapers and radio or TV stations. Publication of press releases at national level is the exception, but occurs from time to time. In some cases, e.g. in the ECC Bolzano, there is a media coverage exceeding the regional limits, in this case extending to the entire northern third of Italy. Another example is the ECC Barcelona, which has an outreach to national media. However, in general getting access to nation-wide media is a problem for ECCs located in regional capitals or border areas because the national media usually have their headquarters in the capital or major media centres. This aspect clearly favours an office in the capital, even if the contact with regional media would be less intensive. It should be added too that the media largely work by telephone therefore once an ECC is established as a national entity, location should not be a significant hindrance to relationships with national media. This is underlined by the fact that the ECC with the highest performance with respect to the information and promotion function (Kiel) is located in a regional capital without major media. This is due to an intensive PR taken on by the centre for several years. However, also in the case of Kiel the ECC staff perceived location as a disadvantage in this respect.

6.2.4 Proximity to public authorities

Proximity to public authorities and to the Parliament is helpful when fulfilling lobby functions, which at the very least is necessary to safeguard the financing of the ECC. Often opportunities to meet key figures are on short notice which makes it difficult if the ECC is not located relatively near the capital. Also, the profile of an organisation can often depend on whether it has a presence in the capital of a country. These aspects affect the seriousness of attention given to issues raised, but also have a bearing on decisions relating to financing organisations. It is clear that lobbying functions at the national level can only be fulfilled with difficulties by ECCs like Bolzano, Düsseldorf/Gronau, Kiel, Lille and Vitoria. Negative consequences might be limited if the ECC is embedded in a national network, which is the case with the ECCs in Bolzano (via e.g. the partner organisation Adiconsum) and in Düsseldorf/Gronau and Kiel (where the host bodies are part of a national network with headquarters in the capital). Barcelona is both a media and a political centre in Spain (together with Madrid). In the cases of Lille and Vitoria, the lobby work at national level is obviously the most difficult. On the other hand, in several cases a strong regional basis has advantages, too. In the meetings with representatives of regional and national governments during the evaluation visits it became clear that the perceived importance of the ECC by authorities was highest with regional governments, for which the ECC is seen as a direct access to Brussels for the region. This symbolic and in some cases practical importance led to a strong backing of the ECC especially in Kiel, Bolzano, Lille, Vitoria and Barcelona.

In conclusion, both in terms of access to media and proximity to public authorities and to the Parliament it is advantageous for an ECC to have some presence in the capital. This does not necessarily suggest, however, that the entire ECC needs to be located in the capital, as demonstrated in the Belgian ECC structure.

6.3 The role of regional vs. national financial support

In some cases the question whether the ECC should be located in the capital is merely hypothetical, because the ECC depends – besides the contribution of the Commission – entirely on financial support from regional authorities. At least six of the 15 ECCs (Barcelona, Bolzano, Düsseldorf/Gronau, Kiel, Lille, Vitoria) are co-financed by regional authorities. In Italy for instance there would be no ECC (before and after the existence of the ECC in Rome 2002/2003) without the support of the government of the autonomous region Alto Adige-Südtirol, because neither other regional nor national financing was (or is) available. In the case of the ECC Lille, other French regions expressed interest in having the ECC in their own region when financing in the Pas de Calais region was endangered, but no concrete plans to transfer it were reported. In the case of the Gronau branch office, the existence of this centre is only guaranteed as long as there is financial contribution from Euregio Gronau; if the office were to be transferred to Düsseldorf, this part of the financing would probably end. The same could be said about the branch offices in Eupen of the Belgian ECC and in Innsbruck of the Austrian ECC, which are also funded by regional authorities.

The absence of financial contribution from the national government causes a number of problems:

- As a consequence of the absence of national co-financing in the above mentioned countries, the national consumer protection authorities have no influence on the work of the ECCs. In these cases they seem to be less integrated into the national system of consumer protection, although with considerable differences: in Germany, the two regionally co-financed ECCs are forming a part of the system of consumer advice centres (Verbraucherzentralen) and are integrated into this system. In Spain, the Barcelona and especially the Vitoria ECC are much less integrated into the system. The national Spanish consumer institute (INC) was seemingly not informed about the activities of the Vitoria ECC. However, the problem is also partly related to the lack of competences of the national government in the area of consumer protection.
- Regional financing or co-financing by the host body alone seems to be less steady and reliable in the long run than national co-financing due to more acute financial problems in the smaller communities in times of economic crisis. That such problems did not yet arise in Bolzano and Vitoria is only due to the strong commitment of the regional governments to these institutions.

This leads to the conclusion that national co-financing on the basis of a long-term contract between the EU and the national government is more promising in order to ensure a stable and long-term existence of the ECCs. This is especially relevant for ECCs in the new Member States. However, it is also obvious that the support some existing ECCs receive from regional governments is essential for their work and makes them in some cases more effective. Four of the eight ECCs with an excellent performance in at least one function are located in a region or have a strong regional presence (Bolzano, Brussels/Eupen, Kiel and Düsseldorf/Gronau). To stress the national importance of these centres, additional national co-financing should be encouraged.

6.4 The existence of two ECCs in one Member State

In Spain and in Germany two separate ECCs exist. The well-known background of this fact is that by the time they were established, the ECCs still had the task to serve mainly consumers in border regions, so various ECCs in one country were not considered problematic. By the time of the 1997 evaluation, Spain and Germany had even four pilot projects, France, Italy and the Netherlands each had two. With the planned merger of the ECC network and the EEJ-Net the future of the two ECCs in the two concerned Member States was even more a matter of discussion, as both Member States had decided to have the Clearing House hosted by a third organisation and the Commission intends in the future to have one common contract per Member State for both the ECC functions and the CH functions.

During the evaluation a central point became quite apparent: The question cannot be discussed without raising the general issues of demand and capacity. In a significant number of ECCs the number of cases is rising due to increased cross-border transactions. Where the number of cases has been falling (e.g. Barcelona) this is due to changes in the system of registering cases and is not related to a decrease of cases. Even a centre such as Helsinki, which reported that “no immediate surge [of demand] is presently in sight, as the imported car market is slowly saturating ...”, agreed: “It is natural to expect that there will inevitably be some long-term rise on cross-border cases”.

Among the factors contributing to a likely further increase in demand for consumer advice in cross-border cases are the effects of EU enlargement and new legislative measures taken by the Commission to increase consumer trust in cross-border transactions.

Demand for assistance in cross-border cases in a given country depends, among other factors, on the:

- Population size
- Number of cross-border transactions of the resident population (depending among other things on Internet use and willingness to engage in distance selling, number of trips abroad etc.)
- Number of tourists visiting the country

Obviously this leads to significant differences between Member States.

In the following table the national target group of consumers involved in cross-border transactions was calculated. Not surprisingly, there are great differences between Member States. Also included is the number of tourists visiting the country, as this is a second possible target group – however more difficult to reach.

Population size, cross-border shopping and tourism by country

Country	Population size ¹⁾ (million)	Incidence of cross-border shopping ²⁾ (percent)	Calculated national target group (million) (columns 2*3)	Number of tourists ³⁾ (million)
Germany	82.4	15.8	13.0	18.0
UK	60.1	14.4	8.7	24.1
France	59.3	13.1	7.8	77.0
Italy	58.0	6.0	3.5	39.8
Spain	40.4	6.0	2.4	51.7
Sweden	8.9	24.0	2.1	7.5
Austria	8.1	24.2	2.0	18.6
Belgium	10.3	16.1	1.7	6.7
Finland	5.2	15.6	0.8	2.9
Ireland	3.9	15.7	0.6	6.5
Portugal	10.3	5.7	0.6	11.7
Greece	10.6	4.4	0.5	14.2
Luxembourg	0.4	38.0	0.15	0.9

1) Eurostat data for 2002

2) Eurobarometer 57.2 with data for 2002 (percentage of consumers purchasing cross-border from shops or sellers located in another EU country during the last 12 months)

3) World Tourism Organisation data for 2002 (arrivals)

Of course, there is a high possibility that the total possible target group will not, in the near future, become clients of the ECC. Relevant factors include:

- The number of problematic transactions
- The willingness of target group to seek redress
- The awareness of target groups of cross-border consumer advice and
- The accessibility of the ECC

The first two factors are difficult to assess. The remaining factors may differ according to Member State, depending on the PR activities of the ECCs and possibly also the country size, with a likeliness that an ECC might be relatively better known in a small country. One could also argue that tourists are less likely to seek redress than residents of a country, who have less problems in accessing the ECC. But all these arguments do not change the general picture that enormous differences in the possible demand between Member States exist, with the extreme examples of larger Member States on the one hand and Luxembourg on the other hand. In the case of Germany it should be considered that there is no ECC in the Netherlands and Denmark and that the ECC Düsseldorf/Gronau serves also a high number of Dutch consumers (with an expert for the Dutch legal system employed). As a consequence, some ECCs in the bigger Member States are already now managing demand; if they would maximise their possibilities in PR to attract cases, they would be overrun by the demand.

Of course, there is another side of the equation, which is the staff capacity of the ECCs. In looking at the differences in employment costs in the Member States, the upper level of 200 000 Euro for the EU contribution presently fixed by the Commission leads to tremendous differences in staff between ECCs. Even when one does not count Düsseldorf because of its high average staff costs, staff size varies between less than 5 full time equivalent posts (Stockholm), and more than 10 full time equivalent posts (London/Wolverhampton), both ECCs also hosting the national Clearing House, which is included in the staff figures. The following table ranks Member States according to the size of the national target group per full time equivalent posts dedicated to consumer assistance in this country. As additional information, the real number of cross-border cases per full time position is given. Not surprisingly, the larger Member States rank first in terms of demand – but not always in terms of actual cases handled.

National target group for consumer advice in cross-border cases by country

Rank	Country	Number of full time equivalent posts dedicated to assistance per country	Calculated national target group (million)	Target group per full time equivalent post dedicated to assistance	Number of cross-border cases per full time equivalent post dedicated to assistance in 2003
1	Germany	3.2	13.0	4 063 000	2 415
2	UK	2.8	8.7	3 107 000	174
3	France	3.5	7.8	2 228 000	425
4	Italy	2.7	3.5	1 296 000	481
5	Sweden	2.3	2.1	913 000	860
6	Austria	3.2	2.0	625 000	1 065
7	Belgium	3.1	1.7	548 000	1 223
8	Greece	1.1	0.5	454 000	(36)
9	Spain	6.6	2.4	364 000	150
10	Ireland	3.2	0.6	187 000	424
11	Finland	4.3	0.8	186 000	132
12	Portugal	5.6	0.6	107 000	62
13	Luxemb.	2.7	0.15	56 000	798

Data for Greece only covers last four month of 2003

The table illustrates that the situation in the area of assistance in the case of the two Member States in which presently two ECCs are operating is rather different when compared with the size of the target group and real demand. However, both are not among the Member States where possible demand and capacity are in the most favourable relation. This indicates that a uniform EU contribution per Member State becomes less reasonable as demand for assistance in cross-border cases rises.

A second aspect of the question whether the existence of two national (or rather regional) ECCs is acceptable depends on the degree of cooperation between these two institutions. If both of them are engaged in the same activities without close cooperation, double work with its negative financial and practical consequences will be inevitable. This is especially the risk in the area of promotion and research. On the other hand, if the two ECCs cooperate closely and specialise in different sectors of assistance and promotion, related problems should not be more important than with the relatively high number of ECCs having branch offices. However, this is only true when both ECCs merge to a single institution in terms of administration and budget. The ECCs Düsseldorf/Gronau and Kiel are already in the process of merging. In Spain, due to a number of factors, including a change in government after the national elections, planning in this respect had not yet started at the date of the evaluation visit.

6.5 Non-profit organisations vs. public authorities as host bodies

There is no standard model of how to set up an ECC. The European Commission assigned the ECCs in most cases to existing national mother organisations that are very different in each Member State, following national preferences and experiences in consumer work. However, four basic types of set ups can be identified:

1. The ECC is run by a single national or regional non-profit consumer organisation.
2. The ECC is run by a consortium of several national and/or regional consumer organisations. They might form a national consumer council which acts officially as the host body.
3. The ECC is run by a private non-profit corporation, funded usually for the single purpose of hosting the ECC.
4. The ECC is run directly by a national or regional government authority or by a consumer agency.

In the following, we will try to analyse the advantages and problems of each of these types.

Type 1: The ECC is run by a single national or regional non-profit consumer organisation

This model is to be found in Austria, Belgium, in the two German ECCs, in Greece and in Italy (Bolzano). A related model is found in the UK, where the ECC is hosted by Citizen Advice, which is not a consumer organisation but an independent organisation providing consumer advice through the network of Citizen Advice Bureaux. This model is usually applied when there is consensus in the country that consumer advice should be given by private organisations, not by the state or by municipal authorities. Given that consumer advice cannot be financed exclusively by fees to be paid by the consumers, the state (or region, or municipality) is still involved by giving public funding to the independent organisations.

Advantages of this model are, among others, the following:

- If the host body is recognised as the voice of consumers in the entire state or in the region, it provides the ECC with the necessary legitimacy to also speak in the name of consumers, to represent them in consultation bodies or procedures and to negotiate with the government, with private enterprises and with business associations. This is of crucial importance especially for the proactive work of the ECCs.
- Major efforts to publicise the ECC are not necessary because it is identified with the host body and benefits from the host body's popularity and credibility.
- The experience of the host body can be used for the organisation of the ECC in all sectors (advice giving, PR, lobbying, internal organisation, accounting etc.).
- The host body may give practical support to the ECC in many forms (training activities, provision of rooms, computer services, cleaning and storage services and much more).

Problems of this type of ECC are especially the following:

- The ECC might be integrated too strongly into the structure of the host body, losing its independence and disappearing more or less behind the host body (similar problems may also exist in type 4).
- The host body may absorb capacities of the ECC for its own purposes. It may employ personnel of the ECC for its own (national) activities or spend money of the ECC budget for publications which are more in the interest of the host body than in those of the ECC. This problem may be aggravated in the case of consumer organisations with rather limited financial resources (however, similar problems also exist in larger organisations and in some type 4 ECCs).
- The ECC might be subject to the PR strategy of the host body which does not allow it the necessary flexibility in its proactive work.

Type 2: The ECC is run by a consortium of private consumer organisations

Until now, this model was only applied in Italy during the existence of the ECC Rome (2002 – 2003). It was not successful because the consortium (the National Consumer Council) comprised no less than 14 different organisations which finally blocked each other in the guidance of the ECC. It failed also because the 14 organisations did not allow the management of the ECC the necessary flexibility in its operations.

However, it is not yet clear whether a much smaller consortium (consisting e.g. of only two or three organisations) would be able to run an ECC successfully. It might be possible if these organisations contribute their particular experiences in different fields (in advice giving or in publishing) and give the management a high degree of independence. It might also be that the tendency to absorb capacities of the ECC by one of the consortium partners would be less significant as this would normally not be in the interest of the other consortium partners.

Type 3: The ECC is run by a private non-profit corporation

This model has only been chosen in Ireland and in Luxembourg. The reasons why this model was chosen were different in the two countries:

In Ireland, ECC Dublin was established in 1997 as a unit within the Office of the Director of Consumer Affairs (ODCA). However, it was, at the time, seen to be problematic to have the EU funding going directly to a government body. The ECC became an independent structure in 1999. Recently, its status was changed to a company with charitable status.

In Luxembourg, the legal status of the ECC shifted in 2003 from a department of the former hosting body the ULC to an independent legal base. The major reason for this change was that formerly the ECC merged too strongly with the ULC structure, allowing no clear separation of staff functions. Also the budgets of the ECC and of the ULC were not separated clearly enough. The change of the legal status was demanded and furthered both by the European Commission and the Luxembourg Ministry of the Economy. While cooperation with the ULC should be continued, the ECC should be established as a formally new and totally independent structure. The legal status that was chosen by recommendation of the Ministry was a "Groupement d'Intérêt Economique (GIE)", a form of non-profit association according to Luxembourg law.

In Ireland, the ECC is working totally independently. In Luxembourg it is legally independent but still located inside the former host body's premises and profiting from the host body's image and some of its services.

Advantages of this model are especially the following:

- Separate accounting for the ECC is much easier. No misunderstandings are possible as to intentions of a host body to absorb financial capacities of the ECC.
- Conflicts with the host body concerning the contents and procedures of the ECCs work are no longer possible; the ECC has to coordinate its activities only with the European Commission.
- The Commission may under some circumstances have better possibilities to influence the filling of management positions in the ECC and to influence the internal working.
- The purely European orientation of the ECC's activities is in theory much easier to realise than it is now in some ECCs. This is supported by the strict European orientation of the ECC Luxembourg and the recent reorientation towards European issues of the ECC Dublin. The latter decision was taken by the ECC management, which also underlines the flexibility of this model, which is not dependent on the decision making process in a much larger hosting organisation. However, evidence shows that ECCs with type 1 organisational set up can also have a strict orientation on cross-border and European issues (e.g. Bolzano, Brussels/Eupen, Vienna, Düsseldorf and Kiel), the same is true for type 4 (Stockholm).

On the other hand, the absence of a host body may cause some problems:

- Doubts may arise as to whether an ECC organised in the form of a private corporation (non-profit or not) is entitled to speak in the name

of consumers. For the advisory work this might not be relevant as the legitimacy to represent consumers in conflicts with businesses usually results of the confidence of many consumers in such an institution, but for the proactive work it might be of importance.

- If an ECC is newly established as a private corporation, it cannot profit from a host body's experience in advice giving, in PR and in administration and might lose much time building up the necessary knowledge on its own. This seemed to be the case in the early stages of the Irish ECC's development.
- Independent ECCs may experience significant problems in cash-flow due to the time consuming procedures involved in allocation of public funds. Strict rules for eligibility of expenses leads to restrictions which a larger hosting body can more easily deal with (e.g. through own incomes, availability of different types of funds etc.).
- Independent ECCs will always be comparatively small institutions which may attract the interest of potential hosting bodies, which see the task of hosting an ECC as either prestigious or profitable. This might in some cases have a destabilising effect if potential hosting bodies were trying to undermine the independent status, e.g. through lobbying governmental bodies or the government.
- There are some speculations as to whether an ECC which depends exclusively of the European Commission would be able to answer sufficiently to the particularities of national needs and mentalities, following a strategy which was conceived outside the country. The evaluation team does not share this opinion because of the positive experiences in Ireland and in Luxembourg.

Type 4: The ECC is run by a national or regional government authority or consumer agency

This is the case in Finland, France, Sweden, Portugal and in the two Spanish ECCs, i.e. in six of the existing 15 ECCs. In some cases, the ECC is directly led by a department of the government (like in Lille and Vitoria), in others it is a run by a national consumer agency (like in Stockholm, and Lisbon; in Barcelona, the transfer to a new regional consumer agency is pending). This solution is usually chosen in countries where there is a long tradition in public consumer protection activities and where private consumer organisations are not active in advice giving (or only to a limited extent).

Advantages of this model are particularly:

- As the ECC is a part of a national (or regional) consumer protection strategy, its financing is normally guaranteed in the long run and less dependent on political decisions concerning the funding of consumer institutions when the government changes. In most cases there is also a strong commitment of the government to further consumer protection structures and activities.
- The ECC may normally use many of the services and facilities of the department (or agency) it belongs to, from rooms and machinery to software services, support in PR etc.

- Its quality as a government department might open many doors to the ECC in other authorities and allow it to use their services free of charge.
- If the ECC is assigned to a national consumer agency it might more easily take over some training functions for other advisory institutions, whether private or municipal.

However, the following problems may result from this set up:

- In principle, a government department is not as free as a private association in defending consumer positions in the political discussion. It might even be questioned whether a government institution is entitled at all to speak in the name of consumers.
- ECCs run by public authorities may have more problems to organise their PR independently, given that they depend in most cases on the central PR department of their authority. In some cases this tends to hinder the proper use of information received via personal consumer advice in the PR work. Also the authority might have other priorities in PR than the ECC and the ECC might be integrated too strongly into the structure of the host body (both problems are also found with some type 1 ECCs).
- The host body may absorb capacities of the ECC for its own purposes. It may employ personnel of the ECC for its own (national) activities (similar problems also exist in some type 1 ECCs).
- Cooperation of the state-run ECCs with independent consumer organisations leaves much to be desired. In most of these ECCs the cooperation with independent consumer organisations is rather limited or even non-existent.
- The staff of a state-run ECC might have a considerable autonomy inside the authority to which it is assigned, but the staff members are still public servants and subject to orders from higher levels in the administrative structure. This might cause problems especially when consumer interests are in conflict with other interests of the administration. The fact that in some countries the government left consumer work to private associations (e.g. in Germany) is due to the fear of such conflicts of interests which may rise sooner or later.

This brief analysis shows that none of the types of organisational set up described above is clearly more advantageous than the other types. A uniform recommendation as to the form of organisation of the ECCs is also not possible because of the very different traditions in the Member States and the very different expectations of consumers from advisory institutions. While in Sweden the state-run structure of consumer assistance and information is giving excellent results and is not even questioned by the private consumer associations, such an institutional set up would be unthinkable in Germany, where consumer advice is traditionally given by independent consumer advice centres (Verbraucherzentralen). In Spain and France, the rivalry between national and regional consumer agencies and private consumer associations is more pronounced and makes the integration of the ECC in the system of consumer advice more difficult, a situation which is not – as the evaluation team sees it – in the interest of consumers. In Ireland and Luxembourg, the legal form of a private corporation resolves some of

such conflicts but raises questions as to the legitimacy of the ECC especially for the proactive work. It is also hinders the use of some desirable synergies with possible host bodies. A use of this type of set up in other countries should only be considered if the problem of cash flow is addressed (e.g. by providing more timely and flexible funds on a longer term basis).

Basic functions of a host body for an ECC

With only two exceptions (Dublin and Luxembourg), all ECCs have a mother organisation or host body. Host bodies are usually either private consumer organisations, government authorities or national (or regional) consumer agencies. The main functions of these host bodies may be summarised as follows:

- They provide the necessary degree of legitimacy to the ECC. If the host body is a private consumer organisation which is indisputably considered as the legitimate voice of consumers in the country, the ECC will not have to fear questions about its own legitimacy to speak in the name of consumers. If the host body is a part of the government, there will be also no doubts whether it is entitled to represent individual consumers, although its legitimacy as a political representation of consumers will be limited. In the case where the ECC is organised as a private or charitable company, its legitimacy may also be based on a high number of consumers seeking advice.
- Because most ECCs are far less known by the general public than their host bodies, they depend on the host body as an institution which directs consumers with cross-border problems to the ECC.
- In almost all cases, the ECCs profit largely from the host body's popularity for their own PR activities. If they present themselves in connection with the well known mother organisation, no questions as to their relevance will be asked.
- If the host body is a part of the national network of consumer institutions, it might contribute to the close integration of the ECC into this network.
- If the host body is very active in consumer advice, it can provide to the ECC its experience in the organisation of assistance (and, of course, also in other fields) from the very beginning. This might contribute a lot to abbreviate the time a newly established ECC needs to become operative.
- After the inception phase, the host body might contribute also to the current training of advisors and other staff of the ECC (e.g. in the field of advisory methodology, PR techniques or accountability).
- Furthermore, the host body can provide (and usually does) a wide selection of support in the organisation of the daily work, such as premises, computer maintenance, cleaning or storing services, printing of materials etc.

The long list of positive functions of the host body leads to the question of what a host body receives as compensation for providing them, especially since the ECC should operate as a largely independent body (see recommendation 18-21). According to the view of the evaluators, three elements of compensation should be provided to the hosting body:

- The ECC should make its information and experience on European consumer protection issues available to the hosting body. If the hosting body provides consumer advice, this may include the training of consumer advisors on, e.g. European consumer legislation
- The hosting body should receive an appropriate reimbursement of overhead costs related to hosting the ECC (recommendation 30).
- The European Commission should provide regular feedback to the hosting bodies on the priorities of the ECC network and other ongoing developments.

7. ECC objectives and network performance

7.1 The objectives of the Consumer Policy Strategy 2002-2006

The Consumer Policy Strategy 2002-2006 was published in June 2002 and contains three mid-term objectives. These are:

1. A high common level of consumer protection,
2. Effective enforcement of consumer protection rules,
3. Involvement of consumer organisations in EU policies.

The strategy summarises these three objectives as follows:

Under the first objective 'A high common level of consumer protection', the chief actions are initiatives on follow-up to commercial practices issues addressed by the Green Paper on EU Consumer Protection) and on the safety of services. The priority actions, under the second objective 'Effective enforcement of consumer protection rules', are the development of an administrative cooperation framework between Member States and of redress mechanisms for consumers. And to achieve the third objective 'Involvement of consumer organisations in EU policies', the main actions consist in the review of mechanisms for participation of consumer organisations in EU policymaking and in the setting up of education and capacity-building projects.²¹

The ECC network is listed as an action under the heading 3.2.3.2., i.e. under mid-term objective 2: *Effective enforcement of consumer protection rules*. The strategy states with respect to this objective that „there are both legal and practical obstacles to enforcement cooperation at the moment, which need to be overcome if consumer protection principles are to be effectively applied in practice. While there is a coordination role at EU level, enforcement remains principally a national, regional or local competence.“

While it is indisputable that the ECCs have an important role in cross-border enforcement (even more after the network is merged with the EEJ-Net), it is worth noting that the ECCs also fulfil functions with respect to the other two objectives:

- ECCs have in the past been involved in the key project under **objective 1**, the follow up to the Green Paper on EU Consumer Protection and the new framework directive on unfair commercial practices. Hosting organisations of ECCs have extensively commented on the Green Paper (e.g. the UK Citizen Advice), supported by the legal knowledge of their ECC. Also, most of the ECCs have been involved in a survey for the impact assessment study on the new framework directive. More importantly, through providing information for consumers on consumer protection legislation and systems in other Member States ECCs create awareness among European consumers for the common level of consumer protection already reached and for the existing differences, which need to be bridged. ECCs create awareness for the chances (and

²¹ Communication from the Commission to the European Parliament, the Council, the Economic and Social Committee and the Committee of the Regions: Consumer policy strategy 2002-2006 (COM(2002)208 final)

risks) of purchasing products and services abroad, thereby creating also awareness for the next steps to be taken to create a functioning consumer internal market.

- ECCs are in many cases an important mechanism to improve the involvement of consumer organisations in EU policies (**objective 3**). This is especially true for the six ECCs hosted by a consumer organisation (seven, if Citizen Advice is included). In these cases the ECCs are providing valuable information to the hosting body on EU developments and also contribute to feedback by providing a mechanism through which information on e.g. specific consumer complaints can be transmitted to the EC.

To answer the question in more detail to which degree the ECC network contributes to the objectives listed above one has to look to the specific objectives formulated for the ECC network in the Consumer Policy Strategy. However, as the objectives of the ECC network were not static in the past, but rather adapted to changing priorities and experiences made, it is necessary to analyse the development of the objectives of the network in some detail.

7.2 The development of network objectives

In the first years of the “pilot programme on transborder consumer information projects”, as it was called when it was initiated in 1991, centres concentrated on cross-border issues and were located in border areas.

The objectives of the ECCs were revised after the first evaluation of the network in 1997. The evaluation report by Wilhelm Consulting stated that the “whole network of European Consumer Information Centres shall – equal to each of its individual members – be dedicated to promote the further improvement and dissemination of European consumer information to the target group of European consumers in the single market with special regard to purchasing services and goods from foreign EU Member States.”²² The new mission of the ECCs was detailed in the Consumer Policy Action Plan 1999-2001:

The role of the Euroguichets will continue to be transformed, from their original concept as sources of information for local consumers on purely cross-border issues, to suppliers of information and education for all consumers in the Member State on the full range of consumer issues.....The Commission will create a network between them and the Commission to ensure a two-way flow of information. It will take steps to improve and coordinate their use of Internet websites. Euroguichets will increasingly carry out public relations work, in cooperation with consumer associations, and organise training courses for journalists and other opinion formers. Furthermore, the Euroguichets network will support the exercise ‘Permanent Dialogue with Citizens and Business’ which aims to establish a closer synergy between Commission networks in order to inform citizens and businesses of their rights in the single market.²³

²² Wilhelm Consulting 1997, Evaluation of the transborder consumer information pilot projects, Final Report, p. 160

²³ Consumer Policy Action Plan 1999-2001.
http://europa.eu.int/comm./consumers/cons_int/ser_gen/links/action_plan/ap01_en.pdf

It is important to underline some aspects of the change in priorities described above:

- The target group is supposed to shift from “local consumers” to “all consumers in the Member State”.
- The focus changed from the “original concept as sources of information ... on purely cross-border issues” to “suppliers of information and education ... on the full range of consumer issues”.
- A two-way flow of information between consumers and the EC is envisaged.
- The network will “increasingly carry out public relations work”.
- It is mentioned that the network will contribute to informing “citizens ... of their rights in the single market”.

Clearly, the provision of information and PR is seen here as the major objective of the network, with only an implicit reference to providing assistance to consumers, if one interprets informing citizens of their rights rather broadly. It is also not clear what precisely is meant by “full range of consumer issues”. However, it certainly refers to more than “purely cross-border” issues.

Since the above-quoted document was published another change of priorities seems to have taken place, even if less clearly advertised as such. The Consumer Policy Strategy 2002-2006²⁴ describes the ECC network and its role. In section 3.2.3.2 it states that:

- The ECC network acts as an interface between the Commission and European consumers to support better use of the internal market and to give feedback to the Commission on market problems;
- ECCs provide information on legislation and on case-law both at the European and the Member State level;
- ECCs give assistance and advice on mediation, information concerning the procedures, first legal aid and orientation towards other authorities;
- ECCs cooperate within their network and with other European networks such as EEJ-Net and FIN-Net.

In comparison to the previous Consumer Policy Action Plan the objectives are more focused. The idea of two-way communication is elaborated to support, on the one hand, the better use of the internal market (i.e. cross border purchase of products and services) and on the other hand, to get feedback on market problems. According to the strategy, ECCs are no longer supposed to provide information on the full range of consumer issues. Mentioned are only legal issues, although from the first objective it can be deduced that information should also be provided that allows consumers to make better use of the internal market. Finally, assistance and advice is clearly included as one of the tasks of the ECCs.

²⁴ Communication from the Commission to the European Parliament, the Council, the Economic and Social Committee and the Committee of the Regions, Consumer policy strategy 2002-2006, COM(2002)208 final

7.3 Objectives formulated in contractual documents

In addition to the official documents published by the EC, the ECCs have been guided by contractual documents, both developed under the current Consumer Policy Strategy. Two documents are of relevance:

- a) The Specifications for European Consumer Centres (ECCs) (in short ‘specifications’, previously used)
- b) The Vademecum – European Consumer Centres network (has replaced the specifications and is part of the contract with the individual ECCs in 2004).

In the following, the point of reference will mainly be the Vademecum. However, one has to keep in mind that the Vademecum was only formulated at the end of 2003 and that the evaluation mainly focused on this year – when ECCs could not possibly have been guided by this document. Therefore, in case of deviations between objectives and the network reality it will be necessary to also scrutinise the preceding documents to analyse why a specific development took place. **The analysis will mainly concentrate on the network level**, although in some instances it will be referred to specific ECCs. The relative performance of the different ECCs has already been presented in the previous sections. Major differences in the declared objectives of the individual ECCs have up to now not been found during the evaluation. The reason for this being :

- None of the ECCs visited had formulated in writing a detailed set of objectives for its work, neither on a long-term nor by a year-by-year basis.
- Annual action plans of specific ECCs do not usually contain lists of objectives.
- Hosting bodies and national/regional authorities (if they contribute to the budget) normally do not seem to formulate specific objectives for the ECCs other than those already set by the Commission.

In line with the methodology of the Contractor the following analysis will be in accordance with the main functions of the ECCs. In each section the objectives of a specific function will be defined and assessment of the function given. On this basis for each function recommendations will be formulated.

7.4 Consumer assistance

7.4.1 Objective of the function

According to the Consumer Policy Strategy ECCs provide:

- *assistance and advice on mediation, information concerning the procedures, first legal aid and orientation towards other authorities [and]*
- *support better use of the internal market* (which is also relevant to assistance)

The Vademecum describes the function of assistance as follows:

The assistance function consists of providing consumers with help and support in contacting the trader in case of complaint

This sentence has to be read together with the definition of a “complaint” also given in the Vademecum:

‘Complaint’ means a statement of dissatisfaction by a consumer concerning a cross-border transaction

In other words, according to the Vademecum ECCs should provide assistance to consumers in cross-border cases. In the previous contractual document of the Commission, the specifications, this was also stated, be it less strict. According to the latter document, the ECCs “provide appropriate assistance to any consumer who encounters problems following any transaction or service, in particular in cross-border cases.”

7.4.2 Assessment of function

The evaluation indicators related to the assistance function have been assessed in section 3.2. Main results include:

- ❖ The ECC **network achieves its objective** to provide individual consumers with assistance and advice and to support consumers to make better use of the internal market. The degree to which this objective is achieved varies significantly between ECCs – as has been laid out in the previous sections and the individual evaluation reports (see part II).
- ❖ There is **a lack of focus on cross-border cases** in some ECCs. Only 10 of the 15 ECCs have a higher degree of cross-border orientation. In fact, only approximately 25 700 of the total number of 67 808 cases in 2003 were genuine cross-border cases, that is less than half.
- ❖ On the basis of the evaluation data it is possible to calculate the approximate costs per case. This is done by assuming that the proportion of the total fixed costs of all ECCs (employment costs, office running costs etc.) which is spent on assistance is similar to the percentage of total staff working time used for this function. The **average costs of consumer assistance through the ECC network is approximately 36 Euro per case**. However, when only cross-border cases are taken into account this figure rises to 94 Euro. These amounts include the funds provided by the national counterpart, which in total are slightly higher than the EC contributions.²⁵ In spite of these relatively high costs, most ECCs services related to the assistance function are generally provided for free (with some minor exceptions).
- ❖ A problem to assess the quality of the service provided is that none of the ECCs except Dublin tracks user satisfaction. However, there is anecdotal evidence of high consumer satisfaction in some cases (expressed through letters and presents). Also, the case handling witnessed in several ECCs documents **a high professional level**. All ECCs have one or more qualified advisors for assisting consumers, who are lawyers or have a long professional experience in providing advice related to consumer law. A number of ECCs provide mostly or partly second tier advice. The ECC London/Wolverhampton provides input to the information system of the Citizen

²⁵ The total budget spent in 2003 by the ECCs was 6.1 million Euro, of which the total EC contribution was approx. 3 million Euro. 1.3 million Euro of the budget was spent on activity related costs. The remaining amount was 4.84 million Euro. On basis of the assumption that costs for assistance are proportional to the staff time spent on it (median is 50%), the total costs for assistance are 2.42 million Euro. This is equivalent to 35.69 Euro per case (divided by 67 807) or to 94.16 Euro per cross-border case (divided by 25 700). Hardly any activity related costs were spent on assistance.

Advice Bureaux. The ECC Stockholm has access to the intranet of municipal consumer advisors, which regularly contact the ECC for support. And the ECC Vitoria has contracted a private enterprise to provide answers to “simple queries”. Second tier advice has the potential to increase the outreach of the ECC when it is based on a well-functioning national advice system (as is the case in the ECCs London/Wolverhampton and Stockholm). However, it seems to be problematic when the first level of advice is given by call-centre employees with very little training in consumer law (as is the case in ECC Vitoria).

The role of second tier advice

Most European Consumer Centres concentrate on providing advice on cross-border consumer problems themselves, often relating to cases passed on by national advice-giving institutions. In doing so, these ECCs are fulfilling the mission for which they were founded in the early 1990's, although today the scope of their work is much larger. However, another way of dealing with cross-border cases is possible: the so-called *second tier advice*, which means that the ECC is not or not always dealing directly with requests received, but instructing advisors of other institutions on how to deal properly with cross-border problems. This could be done both in the form of specific advice for specific requests and in the form of training for other consumer advisors. This is already now the approach of the UK ECC at Citizen Advice. For the moment, doing the same does not seem to be necessary for other ECCs, given that the number of requests is usually not yet beyond the ECCs' staff capacities. But if individual cross-border shopping increases a lot, the situation might change. In this case, would it be an option for the ECCs to switch from being a direct advice-giving institution to an institution providing second tier advice to other institutions? What are the pros and cons of such an option?

- On the one hand, the use of the ECCs' staff would be more efficient, enlarging considerably the number of people active in advice-giving in this sector. It could also contribute to make national advice-giving institutions more familiar with cross-border problems, creating thus more consciousness for the European dimension of consumer problems among the national institutions.
- On the other hand, cross-border cases are often so complex that a simple training, consisting of a few days of instruction, may not be sufficient to enable advisors to resolve them. It certainly makes a difference if a specialised advisor is constantly dealing with problems where several national legal systems are involved. The risk for a purely “national” advisor to give incorrect advice might certainly be higher.
- If the form of second tier advice is not training, but providing detailed advice for individual cases, the staff or time-saving effect might be lost. The time an ECC advisor needs to study a problem presented by another advisor and to recommend a specific solution to his colleague could be used as well to deal from the very beginning with case in the ECC, avoiding the waste of time associated with using two specialists when just one would be sufficient.

Conclusion: With present numbers of cross-border cases second tier advice does not seem to be an urgent option, at least not as the main focus of work. It may in most cases rather be a supplementary task done by the ECCs to reduce the workload with “standard cases”. With the recent priority of providing a “one stop-shop” for consumers with cross-border problems, the rationale behind the merger with the EEJ-Net, focusing on second tier advice would be a step back. However, depending on the number of European consumers shopping cross-border, it may in the long run be the best way to cope with increasing demand. In this case, however, there would be the need to develop a system to register consumer queries directed to other organisations to be able to monitor the level of cross-border problems in the country.

7.4.3 Recommendations

Based on the assessment the following recommendations can be given:

1. **The focus of assistance should be clarified.** ECCs should exclusively provide assistance in cross-border cases (see recommendation 16).
2. **ECCs should be allowed to charge for consumer assistance and information** if appropriate in their country. Revenue generated in this way should be additional to that provided by the EU and the national government. It would be a way of expanding the level of assistance, especially in countries where consumers are used to paid consumer advice and the ECC is well established and consumer demand is high (e.g. Germany, Austria). This would also function as a filter in these countries, which would allow the staff to focus on the most urgent cases. Charges for assistance should typically be taken through a paid national hotline. In countries where the ECC is newly established, demand is low or consumers are used to free consumer advice the service of the ECC should remain free (or only involve minor costs).
3. An indirect **assessment of consumer satisfaction** should be introduced, covering at least all consumers who have been provided advice by email. ECC should have internal processes to ensure that response targets for case handling are reached (see box).

Response targets and client satisfaction

Setting response targets:

An ECC should have internal processes to ensure that response targets for case handling are established and their achievement monitored as part of the on-going management procedures ensuring efficiency.

Targets could include:

- All cases to be logged on database on day of receipt
- All cases acknowledged within 5 working days of receipt
- First contact with dealer within 5 days of receipt of case
- Cases closed within 30 days

Targets agreed by the network as a whole would be a useful tool for improving the effectiveness of the process of transferring cases to other ECCs.

Best practices in measuring client satisfaction:

The ECC Dublin regularly measures client satisfaction. At the end of the year everyone who had a cross-border dispute receives a client satisfaction questionnaire. Also, e-mail correspondents are asked about their satisfaction with the service, and approximately 1 in 10 clients who contact the ECC by telephone are asked their view on the service.

The aim of a client satisfaction questionnaire is to enable the level of satisfaction with the service provided by the ECC to be measured, irrespective of the outcome of the case. It is a qualitative assessment of the ECC's activities. Client satisfaction should be monitored at least twice a year to enable managers to introduce measures to improve the approach of either the team or of individual members of staff if necessary. The questionnaire could be sent to a random sample of clients or to all clients who were provided assistance with respect to a cross-border dispute. A model client satisfaction questionnaire is presented in the box on the following page.

Model client satisfaction questionnaire

The model client satisfaction questionnaire presented below is based on the one used by ECC Dublin. It is proposed to be a basis for discussion of an ECC working group which should design a uniform questionnaire to be used by all ECCs.

1. **How did you find out about the ECC?**
 - Media
 - Internet
 - Friends/colleagues
 - Telephone directory
 - Another organizations (please state which one)
2. **How did you make first contact with the ECC?**
 - Phone
 - Written correspondence (letter/fax)
 - E-mail
 - Personal visit
3. **What was your experience of the first contact with the ECC?**
 - Excellent
 - Very good
 - Good
 - Not good
4. **Once you wrote to the ECC, how long did it take to receive a response?**
 - 1 week
 - 2 weeks
 - 3 weeks
 - More than 3 weeks
5. **During the course of your complaint, how informed were you kept?**
 - Very well informed
 - Adequately informed
 - Uninformed
6. **How long did the entire case take?**
 - Less than a month
 - 1 – 3 months
 - 3 – 6 months
 - More than 6 months
7. **Were you satisfied with the time it took us to handle your case?**
 - Very satisfied
 - Satisfied
 - Not satisfied
8. **Were you satisfied with the outcome of the case?**
 - Very satisfied
 - Satisfied
 - Not satisfied
9. **Irrespective of the outcome of the case, how would you rate our service?**
 - Excellent
 - Very good
 - Good
 - Not good
10. **Would you use our service again?**
 - Yes
 - No
11. **How could we improve our service?**

7.5 Information and promotion

7.5.1 Objective of the function

According to the Consumer Policy Strategy ECCs provide information on

- *legislation and on case-law both at the European and the Member State level [and]*
- *support better use of the internal market (which also has a information component)*

The Vademecum describes the function of information and promotion consequently as follows:

The aim of the information and promotion function is to enable consumers to purchase all types of goods and services with full knowledge of their rights and duties within the framework of the Internal Market.

The Vademecum specifies the following explicit tasks:

- a) *To respond to all requests for information on European or national consumer legislation ...*
- b) *To organise or participate in information campaigns on specific topics relating to consumer protection*
To support the European Commission specific campaigns and other initiatives.
To raise public awareness of the European Commission's participation in activities in the consumer's interest;
- c) *To create information material on specific topics relating to consumer protection ...*
- d) *To advertise the ECC functions using the means it deems most appropriate*

In both the Consumer Policy Strategy and the Vademecum information and promotion is listed before assistance, underlining the importance of this function. The topical focus of the information and promotion function is to be the “purchase of all types of goods and services ... within the framework of the Internal Market”. This emphasis on the economic interests of consumers is considerably narrower than in the previous specifications, where information was also supposed to be given enabling consumers to protect their health and safety. However, it has to be pointed out that point c) entitles the ECCs to engage in all information sectors which seem important to them on the background of their location and of ongoing discussions at national and at European level. Point d) leaves the choice of the most appropriate media channel to the ECC.

7.5.2 Assessment of function

The evaluation indicators related to the information and promotion function have been assessed in section 3.3. Main results include:

- ❖ The ECC **network achieves its objective** to provide information on legislation and on case-law both at the European and the Member State level and support the better use of the internal market. The degree to which this objective is achieved varies significantly between ECCs – as has been laid out in the previous sections and the individual evaluation reports. There is a general

tendency that a high performance in the area of information and promotion is more often found in ECCs which have a clear focus on European and cross-border issues.

- ❖ The **priority of the information and promotion function is not reflected in the distribution of staff working time** of the ECCs. In all ECCs consumer assistance was the most important function in terms of staff time used, with a median of 50% for assistance compared to 18% for information and promotion and 6% to consumer education, together taking only half the time dedicated to assistance. However, experience of the ECCs shows that the amount of consumer queries is directly related to the intensity of information and promotion. A shift towards more intensive PR might therefore lead immediately to an increased demand for assistance, leading to a stabilisation of the previous proportion of staff time used – or to the need to “filter” queries.
- ❖ Most of the ECCs, but not all, have **direct access to the media**. In some cases PR is done through specialised personnel of the hosting body (e.g. in the ECCs Vienna, London and Düsseldorf). This leads to problems where the priorities of the hosting body differ from ECC priorities.
- ❖ The profile of the individual ECCs is promoted through use of the ECC logo on publications, letterhead and business cards. However the prominence of the ECC profile varies across the Network and it is in many cases subordinate to the profile of the hosting body. The existence of the ECC Network is evident on publications, and in particular on the ECCs websites. However, **the ECCs are presented as nationally based primarily, therefore the profile of the network is low**.
- ❖ The **internet becomes one of the main channels of providing information** to consumers. Some ECCs already have highly professional websites which are updated weekly or even more often. ECCs with a high performance in the area of information and promotion tend to have a developed website as backbone of their PR strategy (e.g. Stockholm, Düsseldorf).
- ❖ All of the ECCs publish information in printed form. The presentation of the information varies from publication on recycled paper (e.g. ECC Bolzano) to glossy bulletins (e.g. ECC Athens). These are generally cost intensive and led in three of the 15 ECCs (Austria, Lisbon and Athens) to activity related costs above 150 000 Euro. There is no indication as to whether take-up by consumers is related to the glossiness of publication. There is also **no evidence suggesting that a high budget for printed publications provides significantly better results than less cost intensive PR strategies**. This is especially significant as the total activity related costs spent for information and promotion, roughly 780 000 Euro for all ECCs, is nearly the same amount as the staff and other fixed costs related to this function²⁶. On the contrary, only one of the six ECCs with a high performance in the area of information

²⁶ The total budget spent in 2003 by the ECCs was 6.1 million Euro. 1.3 million Euro of the budget was spent on activity related costs. The remaining amount was 4.84 million Euro. On basis of the assumption that the fixed costs for information and promotion are proportional to the staff time spent on it (median is 18%), the total fixed costs for information and promotion are approx. 870 000 Euro.

and promotion has a high budget for publications.²⁷ In some cases printed materials are hardly produced at all (e.g. ECC Stockholm).

- ❖ The rate of response to media activities of the ECCs **indicates a high level of quality of PR**. The median response rate of all ECCs is 0,77. This means that 100 PR activities led to 77 news items in which the ECC is mentioned. In total, media activities by the network led to at least 1 058 news items in which the ECCs were mentioned in 2003 (this figure does not include UK and Finland, where no data was available). In 2003, **the average cost to initiate a news item was approximately 681 Euro**, based on the assumption that the proportion of the total fixed costs of all ECCs which is spent on information and promotion is similar to the percentage of total staff working time used for this function.²⁸ Please note that the time invested by ECC staff to produce a total of 61 printed leaflets (up to 6 pages) and 31 brochures (with 7 or more pages) has been included in this figure. This seems to be fair, as most publications also produce media coverage, but has to be taken into account when interpreting this figure.

7.5.3 Recommendations

Based on the assessment the following recommendations can be given:

4. **The focus of information and promotion should be on cross-border issues and on topics with a clear European dimension**, with the main emphasis on economic interests of consumers (see also recommendation 16).
5. **Relations with the press should be handled by ECC staff and each ECC should have a trained press officer**. The press department of the hosting body may provide supporting services. ECCs should conduct press conferences independently from (but possibly in co-operation with) the hosting body.
6. **ECCs should focus on the Internet as a low-cost option** and use brochures to provide supplementary information. It seems more appropriate to reduce production costs of printed materials as far as possible, depending on consumer expectations in the specific country. Materials published by ECCs should be designed to be simple to understand and very practical in focus. It is recommended that each ECC offers a regular email service for journalists and interested consumers on its website.
7. **The network identity has to be promoted**. A working group of ECC directors should develop a PR strategy for the network. The concept of network identity is elaborated in the box on the next page.

²⁷ Of course, performance is here seen in terms media coverage, and not in the number of consumers reached by brochures (this data is not available). However, experience suggests that well prepared publications always result in media coverage – at least when launched adequately.

²⁸ The fixed costs of the ECC network were 4.84 million Euro in 2003, or 4.00 million Euro when UK and Finland are excluded. On basis of the assumption that the fixed costs for information and promotion are proportional to the staff time spent on it (median is 18%), the total costs for information and promotion excluding UK and Finland are 720 000 Euro. This is equivalent to 680.53 Euro per news item (divided by 1 058).

Network identity

The ECC network is an interconnected group of centres which come together as one entity to work on behalf of European consumers. The ECCs are able to achieve greater benefits for consumers because the individual centres work together in a collaborative and mutually supportive way. The impact and effectiveness of the ECCs is greater because they are part of a network. It is therefore vital that the network has an identity which is visible to consumers, to traders and to governments.

This is currently achieved through the use of the “” logo primarily. In some cases ECCs also describe the network in their publicity materials, with greater or lesser emphasis. The network identity is most clearly visible through the joint research and publications such as “Realities of the European online marketplace”. In such cases it is clear from the text that the individual centres are working together and the presentation reflects this. The impact is greater as a result. The results of the evaluation confirm the need to promote the network identity, including the development of a new network logo (see also box on best practices in information and promotion on the next page).

8. There should be a **centralised coordination of information materials**. There should be a central complete list of all publications available from the ECCs with an indication of the languages in which materials are published. This would allow ECCs with a plan to publish information to use any relevant existing materials. It would also allow consumers access to the full range of existing information. The initiative for publications should come from the individual ECC as appropriate in terms of main cross-border problems in their country. The coordination of information materials could be done by the network coordinating board (see recommendation 23). The technical management of the list of information materials should be done by the ECC or other body managing the intranet (see recommendation 24).

Best practices in the area of information and promotion are described in the box on the following page.

Best practice in information and promotion activities

Provision of consumer information is a fundamental element of the ECCs' activity. Information needs to be clear and easy to understand. It is most useful for consumers when it is specific to key issues e.g. fact sheets produced by ECC London/Wolverhampton. As well as covering what to do when a problem arises, ECCs should also produce information which explains how to avoid problems when shopping cross-border e.g. ECC Helsinki's leaflet on buying cars in Germany.

Information must be easy to access. It is good practice to have all information available to be downloaded from the ECCs' websites but also available by request in paper format. The numbers of printed copies should be kept low as this is an expensive medium. In Ireland, for example, only a small number of copies of the Annual Report are published, and further copies are printed out as needed.

The most economical printed versions which are acceptable by consumers should be used. In Italy, for example, recycled paper is used for leaflets. Consumers need to be able to make a request for printed information easily, by telephone or by e-mail.

Information is mostly provided free of charge but it is good practice to retain the right to charge for certain aspects of information provision e.g. printing or photocopying, postage. ECC Bolzano, for example, makes some charges for postage. Where ever possible ECCs should explore the possibility to sell information brochures, as already successfully done by ECC Düsseldorf with a brochure on car imports.

It is useful to have information in more than one language both on the websites and in printed format. It is particularly important to have information in English, as this has become the common language for the ECCs. The Annual Reports should for example be published in English at least in an extended summary, as well as in the national language.

Information needs to be kept up to date. This is practically realistic with the use of websites. It is vital that processes are in place to ensure regular updates, if appropriate weekly, of the website. ECC Stockholm demonstrate good practice by updating their website weekly and by including news items to attract visitors to the website on a regular basis. It is also useful to produce an e-mail newsletter highlighting key concerns e.g. Consumer Watch published on a monthly basis by ECC Dublin which goes to consumers, organisations and government bodies.

Information and PR are most effective when targeted at specific groups e.g. awareness raising amongst people travelling abroad through a campaign at the airport by ECC Dublin, including the distribution of leaflets and luggage-tags with their contact details.

The ECCs need to have a presence in the media in order to promote their activities and to provide consumers with key information. This is best achieved through both a responsive and proactive approach to working with journalists. ECC Stockholm has regular contact with journalists to update them on the latest feedback and complaints from consumers. The ECC staff also make suggestions about themes which could be worth documentary coverage. In Sweden in 2002 this approach resulted in an hour long investigative documentary on timeshares which had 500 000 viewers. This routine approach to keeping in touch with the media is rewarded with high coverage of European issues in Sweden.

There are different approaches to dealing with the media which all seem to be effective. In some ECCs the Director is mainly responsible for liaison with the media, in others there is a member of staff who specialises in marketing and PR (the preferred option, see recommendation 5). It is also good practice to allow other members of staff to relate to the media when appropriate in their areas of specialism. Regular media training of all involved in this area of activity is crucial e.g. as carried out in ECC Stockholm.

Information and PR activities need to be planned and the effectiveness monitored. ECC Stockholm demonstrates best practice in this by planning PR annually and setting targets for media coverage and website visits which are monitored on an annual basis.

The ECC logo (or any revised version which will be developed for the network) should be used on publications, the website and letterhead in order to present the network as a single entity as this is an important aspect which lends impact and enhances the effectiveness of the individual ECCs. It is good practice to give greater prominence to the profile of the ECC itself than that of the hosting body.

7.6 Consumer education

7.6.1 Objective of the function

Both the Consumer Policy Strategy and the Vademecum do not mention consumer education explicitly. This was not the case in the previous contractual document, where education activities are mentioned, however also without giving details. Therefore, it will be assumed that the objectives for the information and promotion function are also valid for the education function.

7.6.2 Assessment of function

The evaluation indicators related to the consumer education function have been assessed in section 3.4. Main results include:

- ❖ Educational activities **have a low priority** for most ECCs, with a median of staff time involved of 6%. Educational activities included visits at schools, workshops and educational seminars to professional groups.
- ❖ Educational activities had **rather mixed results**, as some ECCs reported.
- ❖ In total, all ECCs organised 286 educational activities, excluding activities by the ECC Vitoria (in total 292 workshops and other activities), which were mostly conducted by a private contractor. In 2003, **the average cost of an educational activity was approximately 1 073 Euro**, based on the assumption that the proportion of the total fixed costs of all ECCs which is spent on education is similar to the percentage of total staff working time used for this function and including activity related costs.²⁹ In contrast, the costs for an educational activity of the ECC Vitoria were 594 Euro per activity³⁰, little more than half the ECC average. However, during the evaluation visit it became clear that educational activities were not very focused and were conducted mainly at schools by free lance educators subcontracted by the contracting company, which makes quality control for the ECC Vitoria difficult.

7.6.3 Recommendation

Based on the assessment the following recommendation can be given:

9. Consumer education is not a priority of the ECCs and should not become one. Only educational activities should be performed which are in line with the information and promotion function. If a centre decides to continue educational activities, they **should focus on professional groups**, especially in the framework of “second tier” advice. The highest priority should be given to provide training on cross-border and European issues to consumer advisors working for consumer organisations or other bodies providing consumer advice (see also box in section 7.4).

²⁹ The fixed costs of the ECC network were 4.84 million Euro in 2003, or 4.56 million Euro when Vitoria is excluded. On basis of the assumption that the fixed costs for educational activities are proportional to the staff time spent on it (median is 6%), the total costs for consumer education excluding Vitoria are 274 000 Euro. In addition 33 416 Euro of activity related costs were spent on conferences, events etc. This is equivalent to 1073.40 Euro per activity (divided by 286).

³⁰ 138 000 Euro of the activity related costs were spent on the seminars, as well as 13% of staff time or an equivalent of 35 535 Euro fixed costs. The sum of 173 535 Euro divided by the number of educational activities (292) results in average costs of 594.30 Euro.

7.7 Research

7.7.1 Objective of the function

The Consumer Policy Strategy does mention research only implicitly:

- *The ECC network acts as an interface between the Commission and European consumers to support better use of the internal market and*
- *to give feedback to the Commission on market problems;*

For both objectives a certain level of research seems necessary. The Vademecum describes the function of research under the heading feedback as follows:

The ECC should also perform with other members of the network empirical research projects on cross-border consumer issues. Any such projects will be decided upon and agreed with the EEC network.

Research is therefore clearly defined as being focused on “cross-border consumer issues” and performed or at least agreed on network level.

7.7.2 Assessment of function

The evaluation indicators related to the research function have been assessed in section 3.5. Main results include:

- ❖ The ECC **network achieves its objective** to provide consumers with the results of research to support them in making better use of the internal market and to give feedback to the Commission on market problems. Examples for the first category are price comparisons or network studies on problems in the area of timesharing and e-commerce.
- ❖ **Network studies such as the reports on e-commerce and timeshare as well as cross-border price comparisons contributed significantly to provide publicity to the network.** For example, the ECC Düsseldorf provided a compilation of the media coverage of the E-commerce study in the network countries of more than one hundred pages.
- ❖ However, the **research activities sometimes seemed to have a certain level of arbitrariness and lack of focus**, an extreme example being the price research on popcorn sold in cinemas. The selection of research topic was the most convincing when based on or provoked by consumer complaints processed by the network, such as the timeshare or the e-commerce report. Although price comparisons were quite successful in terms of publicity there are some doubts whether it can possibly be expected from a relatively small team such as the average ECCs to possess the necessary capacity for performing market research next to all other functions.
- ❖ ECCs contributed 56 times to topical studies in 2003, differing widely and including one-page research and reports of over 50 pages. **The average cost of having an ECC involved in a topical study was approximately 4 500 Euro**, based on the assumption that the proportion of the total fixed costs of all ECCs which is spent on education is similar to the percentage of total staff working time used for this function and including activity related costs.³¹

³¹ The fixed costs of the ECC network were 4.84 million Euro in 2003. On basis of the assumption that the fixed costs for research are proportional to the staff time spent on it (median is 5%), the

Please note that a study involving ten ECCs is counted as ten activities – which would imply a total cost of 45 000 Euro for this type of study.

7.7.3 Recommendations

Based on the assessment the following recommendations can be given:

10. **Research should focus on problems related to cross-border cases** such as timeshare, e-commerce, import of cars etc. The complaint cases of the ECCs are a valuable source of data and should form the basis of the research activities performed. The tendency that some ECCs specialise on research (e.g. ECC Düsseldorf) makes sense and should be encouraged.
11. To perform broader research a **co-operation with specialised bodies** such as universities, market research companies, and testing consumer organisations (ICRT) should be the aim, e.g. for cross-border price research.
12. A mid-term **plan for research projects** covering up to 2 years should be developed by the network coordinating board (see general recommendation 23) and the Commission and a separate budget to support larger research purposes should be considered (see general recommendation 33).

total costs for research are 242 000 Euro. In addition 12 099 Euro of activity related costs were spent on research. The sum is therefore approx. 254 000 Euro. This is equivalent to 4 535.71 Euro per topical study and ECC (divided by 56).

7.8 Feedback and networking

7.8.1 Objective of the function

The Consumer Policy Strategy states that

- *The ECC network acts as an interface between the Commission and European consumers ... to give feedback to the Commission on market problems.*
- *ECCs cooperate within their network and with other European networks such as EEJ-Net and FIN-Net.*

The Vademecum describes the function of feedback and networking consequently as follows:

*The feedback function consists of collecting and analysing information on consumer cases for statistical and policy-making purposes. (...)
ECCs and CHs should co-operate with each other in order to provide an efficient service to consumers [... and ...] should seek to organise cross-border events on specific topics ...*

It is important to stress that feedback is not only understood as collecting data but also includes analysing data and providing input for the policy process. Networking is explicitly understood as being more than case-related cooperation.

7.8.2 Assessment of function

The evaluation indicators related to the feedback and networking function have been assessed in section 3.6. Main results of this assessment and the evaluation visits include:

- ❖ **There is a high level of network activities, both case-related and not case related and both formal and informal.** In total nearly 2000 cases of co-operation in the ECC network related to consumer complaint cases were reported for 2003. The total number of cases of co-operation with the EEJ-Net was approximately 500, with the Fin-Net just under 50. The network does, therefore, achieve its objective of network cooperation. Differences in network integration between ECCs exist, but a very low integration in the network is only found with one ECC (Vitoria).
- ❖ **The average cost of a case of cooperation in a European Network related to a consumer complaint was 155 Euro**, based on the assumption that the proportion of the total fixed costs of all ECCs which is spent on networking is similar to the percentage of total staff working time used for this. This figure rises to 202 Euro per case of cooperation when activity related costs related to networking (travel costs) are included.³²
- ❖ The IT-Tool under development by the Commission will bring a level of standardisation in data collection. However, the evaluation team found a **pro-**

³² The fixed costs of the ECC network were 4.84 Euro in 2003. On basis of the assumption that the fixed costs for network cooperation are proportional to the staff time spent (median is 8%), the total costs for network cooperation are 387 200 Euro. In addition 116 820 Euro of activity related costs were spent for travel. The sum is therefore approx. 504 000 Euro. This is equivalent to 202,09 Euro per case of cooperation including travel costs or 155,25 without travel costs (divided by 2 494).

found level of fear and criticism related to the IT-tool. These were related to several aspects of the systems: its concept of being an online database which is easily subject to technical problems; the difficulty of filling in the amount of data required during a contact with a consumer; the obvious focus of the tool on data collection, not on case handling. There was also scepticism whether consumers would be willing to provide the requested personal data. In some cases the IT-Tool would mean a doubling of data collection, as each case would have to be filled in the system of the host organisation and the IT-tool.

- ❖ The annual reports of the ECCs are mainly published in the national languages. This impedes the exchange of information between ECCs, which have **no access to detailed written information on the activities of other ECCs.**

Other characteristics of the present system of networking are listed in the general recommendations.

7.8.3 Recommendations

Based on the assessment the following recommendations can be given:

13. Experience shows that only functional and easy-to-handle advice systems are maintained over a considerable period of time. The IT-Tool should therefore mainly be seen as a case handling tool which also provides data. **A flexible approach** is recommended when introducing the IT-tool.
14. All **annual reports should have an extended summary in English plus national language.** The summary should have a size of at least 5 pages and should have a standard structure according to ECC functions. It is also recommended to develop a uniform reporting format for the annual report itself. A more standardised content and better quality product can be used for profile raising.
15. **More recommendations** with respect to networking are given in the section *general recommendations*

8. General recommendations

8.1.1 Principles and recommendations

Based on the results of the evaluation of the network of European Consumer Centres we propose to develop the ECC network along the following principles:

1. Having a clear focus on European issues and cross-border complaints
2. Creating ECCs which are more independent from their hosting structure
3. Building a stronger network with its own identity
4. Improving accountability and reducing the administrative burden
5. Taking performance and demand into account.

Each of these principles is related to a set of recommendations. Please note that recommendations with respect to the specific functions are presented in section 7 and will not be repeated here.

Having a clear focus on European issues and cross-border complaints

During more than ten years of existence the mission of the ECC network was redefined several times. For example, the Consumer Policy Action Plan 1999-2001 stressed the changing role of the ECCs from the “original concept as sources of information ... on purely cross-border issues” to “suppliers of information and education ... on the full range of consumer issues”. Since this time, the development of the internal market, the introduction of the Euro and the increase in online-shopping has, among others, led to an increasing demand for cross-border assistance as is experienced in many of the ECCs. This in turn led to the emergence of a clearer profile of the network, informing consumers in the whole country on a variety of topics with European relevance and providing assistance to them in cross-border cases. Recent Commission documents such as the Vademecum have led to a clarification, and two thirds of the ECCs are already operating accordingly. However, a more precise definition of the focus of the ECC network will ease the transition process for the remaining ECCs.

This leads to the following recommendations:

16. **The focus of ECC functions should be exclusively on cross-border issues and on topics with a clear European dimension.** Assistance should only be given for cross-border cases, whereby cross-border refers in most cases to the permanent residence of consumer and trader. The target groups therefore include consumers involved in cross-border distance selling (including e-commerce) or shopping trips, tourists purchasing goods or services during holiday trips and EU-citizens living non-permanently in an other Member State. It is recommended to target the two latter groups more actively.
17. **The group of nationally oriented ECCs should be given a clearly defined transition period in which to adapt.** In this transition period na-

tional assistance should only be given in cases which are also relevant for cross-border assistance such as timeshare, tourism, e-commerce etc.

The issue of what precisely are topics with a clear European dimension is addressed in the box below.

What is a focus “on topics with a clear European dimension”?

The European Consumer Centres should focus exclusively on cross-border issues and on topics with a clear European dimension (recommendation 16), not on national consumer problems. However, since many aspects of national legislation on consumer protection are based on EU Directives, the borderline between “national” and “European” has shown to be vague. How can a topic with a clear European dimension be defined? Without trying to give a final definition (which should be developed by a working group of ECCs together with the Commission), the following basic criteria could be identified:

- In **consumer assistance**, “European” issues should be all complaints with a cross-border aspect. In most cases this will mean that the consumer lives in one Member State and the seller or provider of services in another one. However, also other cases are relevant: A cross-border aspect is also given if a consumer lives (temporarily or not) in another Member State where he or she is not familiar with the consumer protection system. The same is true, if consumers complain about different sales practices for the same product in different EU Member States (e.g. related to unreasonable differences in pricing, selling of different qualities under the same brand name).
- In **consumer information**, all activities can be considered to have a clear European dimension, if they are related directly to one or more of the following topics:
 - European consumer protection legislation and other relevant documents (i.e. Directives, Regulations, Recommendations, Reports etc.), be they in the process of development or already finalised.
 - Research relevant to consumers conducted in other Member States or covering more than one Member State.
 - General advice to tourists travelling abroad or coming from abroad to visit the country in which the ECC is located.
 - National consumer protection legislation transposed from European legislation *in the period before and directly after the transposition*. In this case, information might not only be addressed to consumers but also to sellers and providers.
- In **consumer policy**, the ECC could act as a multiplier or mediator in order to publicise new European initiatives in priority areas of DG SANCO. Such activities may be performed in different ways (also in the form of campaigns) and addressed to all relevant sectors of society, not only to consumers. If possible, the ECC might also not only contribute to explain to consumers and sellers the national transposition of European legislation, it might also take actively part in the discussion of how European directives should be transposed in national laws.
- European issues are, of course, also all common actions of the ECC network in the area of assistance, information and promotion and research, e.g. price comparisons, shopping guides, directories of consumer protection institutions etc.

Creating ECCs which are more independent from their hosting structure

Presently, in some of the existing ECCs a number of problems were found which are all related to the fact that the ECC is not a well-defined entity setting its own priorities. Among the problems were:

- The staff is located in a number of offices on the premises of the hosting body without being a clear functional unit. This problem can exist in ECCs operating at one location (inside a large hosting organisation) or in an ECC having a very small branch office with just one staff.
- Overlap exists between personnel of the hosting body and ECC personnel. For example, in some ECCs staff positions were subdivided among several staff of the hosting body, each working only for a few hours per week for the ECC (e.g. in the area of PR, but also this type of “part time” director was found). This makes a focused management of the staff nearly impossible.
- In some cases the authority of the director is not clearly enough defined.

This leads to the following recommendations:

18. **All ECCs should have separate premises inside or outside the hosting body.** An ECC should consist of one or more directly connected rooms which are clearly marked as separate entity. All staff paid from the ECC budget should be located in these premises. An ECC should not have more than one branch office, which should have the size needed to be functional.
19. **No overlap should exist between staff of the hosting body and ECC staff.** ECC staff should have full time or part time positions of at least 50% of a full time position.
20. **The ECC should define clear job descriptions for each staff member.** The job description should be presented with the annual working plan. In each ECC there should be at least full time positions (minimum 70% of a full time position) for the director, a lawyer and a press officer (see also recommendation 31).
21. **The ECC director should have full management responsibility of staff and finances.** Each expenditure to be paid from the ECC budget (at least for activity related costs) should be required to be authorised with the signature of the director. A detailed job description for the director and a list of the required skills should be prepared by a working group of ECC directors jointly with the Commission. ECC directors should be proposed by the hosting body and shall only be appointed *with approval* of the European Commission. The contract between the Commission and the hosting body should explicitly define the tasks of the director (in more detail than presently in the Vademecum).

Building a stronger network with its own identity

As has been described in section 3.6, the ECC network is characterised by a high level of network activity which indicates that it is well functioning. However, there are also a number of factors which impede its further development.

- The **ECC network lacks a mechanism for representation** for planning purposes, the expression of network interests and for conflict management inside the network. Presently, the initiative for research projects and campaigns comes usually either from the Commission or from one of the ECCs particularly interested. However, the network as a whole is not active in conceiving activities, because it lacks a formal structure which could do so (the meetings of ECC directors in Brussels are no substitute for such a structure). The network cannot easily develop a common position, there is also no formal mechanism to prepare network meetings, with the agenda generally set by the Commission. Finally, no mechanism exists to handle complaints about other network members (a typical example given was repeated delays in the processing of complaints). Presently, the only alternative would be to complain to the Commission, which is a rather high level intervention.
- Even with the IT-tool in place, feedback of the ECCs will mainly consist of statistical data on all complaints, which sometimes lacks detail and is difficult to interpret. There is no procedure for presenting an individual complaints case which is considered by the ECC as being relevant for policy making in detail to the Commission. Also, the in depth knowledge of the ECCs on the practical barriers to cross-border trade and the gaps in the present legislation could be used more regularly for the policy process. This means that **the potential of the network to provide input for policy making is not fully used.**
- Although case related cooperation works well the evaluation showed a **lack of clear network procedures**: data collection with respect to complaints cases is done differently in each ECC with a very different degree of sophistication. There is also no clear case-handling procedures, e.g. for the transfer of cross-border cases and the responsibilities of the two ECCs involved (Who contacts the dealer first – the ECC in the country of residence of the consumer or the ECC in the country of residence of the trader? How often should a trader be contacted? etc.).
- The **ECC network lacks a common forum**. Networking is mainly done through emails, the phone, visits at other ECCs and the network meetings. No more structured data exchange mechanism exists, which would allow ECC members to post messages to all other ECCs or have (open) discussions with respect to different topics.
- The **ECC network lacks a training strategy**. Training is mainly provided on a national basis, no coherent approaches exists.

The topic of training is elaborated in the box on the next page, followed by a set of recommendations to build a stronger network with its own identity:

Training – requirements and practices

Regular training is one of the most important preconditions to guarantee the quality of an ECC's daily work. When analysing it, the following basic requirements and practices should be considered:

Subjects of training:

Although the subjects of training may be different according to national or regional requirements, the following priorities should be respected in all ECCs:

- Training on the national consumer protection legislation and, more specifically, on new European legislation transposed into national laws and its consequences for the national system of consumer protection (for legal advisors).
- Training on consumer protection legislation, the legal system and the organisation of jurisdiction in the neighbour country / countries (for legal advisors).
- Languages (all staff members)
- Management techniques for advice centres (ECC directors)
- PR techniques, including presentations and rhetorical skills (ECC directors, press officers and other staff members dealing with the press)
- Lobbying techniques (ECC directors and press officers)
- Accountability and conformity with EU budgetary procedures, including applications and reporting
- Training in selected techniques of consumer research (if this is an important sector of activity in the ECC).

Bodies responsible for training:

Training is or might be provided by the following institutions:

- External experts. As this is usually the most expensive way, it should only be used if no other specialists are available (e.g. the host body, other government departments etc.).
- Experts from the host body or from a network to which the host body belongs. If the subject is not specific for ECCs, the host body's and the ECC's advisors could attend the training together (e.g. PR techniques, lobbying, management techniques etc.). This possibility is used to very different extents in the different ECCs.
- Experts from DG SANCO. Until now, there is only limited training provided directly by DG SANCO (e.g. on the IT-Tool), but it is requested by most ECCs; especially for subjects like new legislation or EC budgeting rules.
- Experts from the ECC network. This is a very valuable source especially in the framework of the mentoring programme. This aspect is also of particular importance when new ECCs are established (in the future especially in Eastern Europe).

In general, common training could contribute not only to the quality of the daily work but also to more compatible forms of organisation and a more uniform appearance of the ECCs.

The analysis with respect to the network as a whole leads to the following recommendations:

22. The Commission should provide **training on specific issues**. Among the subjects most often mentioned by ECCs were seminars on new European legislation. Also some ECCs were interested to have training on EC budgetary procedures. ECCs should be included in the ongoing EC funded training programme for consumer organisations and all ECCs should receive the training materials prepared under the programme.

23. In order to give the network more identity and to improve the quality of the services provided by the network **it is recommended to establish a network coordinating board**, consisting of representatives (the director or other core staff) of three ECCs, which liases with the responsible Commission official(s) in between the network meetings. Tasks of the board could include the handling of internal complaints with respect to individual ECCs, coordination of information materials, organisation of internships and mentoring between ECCs and joint preparation with the Commission of the agenda for network meetings. The coordinating board should also organise **ad hoc working groups** for specific network activities to develop the following essential network documents:

- draft PR and research strategies
- a proposal for a document on network objectives and
- case-handling procedures for the network for cases involving more than one ECC.

The network coordinating board should not have decision-making authority but rather, provide a structure for internal planning processes and the development of joint network positions. It should also provide feedback to the Commission, e.g. on progress in mentoring schemes (see box on the next page).

24. An **intranet** for the ECCs should be developed to ease information exchange and provide access to all information resources which are relevant for the network. The intranet could be developed and managed on a project basis by one of the ECCs (or by another appropriate body).

25. **The present programme of mentoring should be extended** and focus on specific functions. For example, the ECCs which are especially efficient in PR should share their experience with other ECCs. Mentoring should be complemented with an internship programme, especially but not exclusively for staff of the ECCs of new Member States.

26. **One full time EC official should be appointed as contact person for the ECC network** (tasks include: liaison with network coordination board/ECCs/hosting bodies, day-to-day advice and feedback to ECCs, training).

Best Practices in network representation

An existing well-functioning representative mechanism is in place in the Euro Info Centres (EIC) network, a large pan-European network of over 300 contact points aimed at providing information and assistance to small and medium enterprises. The cornerstone of this mechanism is the **Steering Group**. It is made up of 2 – 3 elected representatives per national network (Approx. 55 people). The Steering Group meets with the European Commission 3 times a year. A **Coordinator** is chosen by the Steering Group for each meeting. This is done with a view to involving as many representatives as possible in the process, thus empowering them to take an active role in providing input into network decisions. The EICs English national network has a practise in place which allows for the retention of experience and expertise at its top level. In this case the national network has a board with a Chairperson, a Deputy Chairperson, and a Treasurer. At the next meeting the Deputy Chairperson becomes Chairperson, the Treasurer becomes Deputy Chairperson, and a new Treasurer is chosen. Specific duties of the Steering Group Coordinator include:

- Drawing up the agenda in consultation with the EC.
- Preparing and chairing the pre-Steering Group meeting (see below).
- Working together with previous EIC coordinators.
- Participating in the presidency of the meeting with the Commission.

Halfway between each Steering Group meeting the coordinator sees that the Commission addresses questions/problems raised during the meeting, and informs the Commission of any interests or concerns expressed by the EICs. In this way, the two-way consultation process remains a continual one. It should also be noted here that from the more than 10 people directly responsible for the EIC network at the Commission, there is one sole contact person for the EIC Steering Group meetings.

Pre-Steering Group meetings in preparation for the official meetings are held the day before the official meetings with the EC. These are attended only by the EIC Steering Group members and allows it to discuss the issues which are to come up at the official meeting with the Commission. This way, the Steering Group would have already reached with a joint position and raised key concerns before the official Steering Group meeting. This practise has proven beneficial to the EIC Network as it better prepares its representatives for the official meetings with the EC, which in turn facilitates an effective dialogue between the network and the Commission. Between the meetings a so called **Steering Flash** is published on the EIC website. This regularly updated document features the highlights of each Steering Group meeting as well as an update on ongoing developments. Small **ad hoc groups**, when needed, (max. 5 members designated by their peers) can be created to reach conclusions on specific issues, on an operational level, so as to enable the Steering Group to make appropriate decisions.

The practises of the EIC Representative Network can be adapted to fit the needs of the European Consumers Centres (ECCs). In place of the Steering Group, it seems more appropriate for the much smaller ECC network to foresee an **ECC Assembly**. It would be appropriate to have one elected representative per Member State, for a total of up to 25 people. As is the case with the EIC network we propose a **pre-Assembly meeting** solely for the ECC delegates the day before the official Assembly meeting with the Commission. Since an active and prepared coordinator is essential, we suggest that there be a three person **Coordinating Board** chosen by the 25 representatives. These would be a Coordinator, a Vice Coordinator and the former Coordinator. For each subsequent meeting or term (this would be up to the ECCs to decide) the Vice Coordinator would become the Coordinator and then a new Vice Coordinator would be chosen. This preserves know-how, and continuity. The Coordinator would be responsible for the following:

- Coordinating the planning process for common network activities (e.g. PR and Research).
- Preparing strategic documents (objectives, their description, case handling procedures, strategies etc.), if so decided by the ECC Assembly in cooperation with ad hoc groups set up for specific tasks.
- Managing mentoring between ECCs.
- Drawing up the agenda for pre-Assembly Meetings and chairing them. The Assembly Meeting agenda would be coordinated with the European Commission.
- Remaining in dialogue with the EC with respect to decisions made/issues raised at Assembly Meetings, and informing them of concerns expressed by the ECCs and the progress of the mentoring programme.
- Supervising the ECC intranet (to be run by one of the ECCs on a contract basis).

Improving accountability and reducing the administrative burden

ECCs have to work in very different national frameworks and therefore need a certain degree of independence in using their budget. On the other hand, strict EC budget rules require a high level of accountability. To make things even more complicated, the Commission, the ECC itself and the hosting body have at times different priorities, which can lead to a number of difficulties especially with respect to the planning of specific activities:

- ECCs have to provide a very detailed working programme in advance which reduces their flexibility. Changes in the schedule are possible but require EC agreement and are therefore time consuming.
- The ECCs work on annual contracts which implies a large work load for the annual procedure of applying for the grant for all parties involved. At the same time, it makes ECC staff positions less attractive as their financing is only guaranteed for a relatively short time span.
- The work load for the hosting body in hosting the ECC leads to the understandable position that the ECC should also serve the priorities of the hosting body. However, these priorities are not necessarily in line with the functions of an ECC and can lead, for example, to expensive PR activities financed from the ECC budget, which may serve the interest of the hosting body, but could be otherwise used more efficiently.
- Different handling of the budget in the different ECCs has led to a certain lack of transparency. For example, with the present reporting system it is not possible to differentiate between fixed costs (employment, renting of premises etc.) and activity related costs (printing of brochures etc.) in a way that would allow to assess inputs and outputs for each function, and consequently, to compare the performance of different ECCs.

This leads to the following recommendations:

27. **The European Commission should sign longer contracts with the hosting body of the ECCs.** The preferred time span for such a contract is three years, the minimum duration should be two years. A new ECC, however, might only receive a one-year contract to assess its functioning. As longer contracts are a positive signal towards the ECCs which might be an important contribution to motivate them during a period of restructuring, it is recommended to introduce longer contracts as soon as possible (see also box in next section).
28. **The ECCs should deliver annual work plans which, rather, define the type of activity than the activity itself.** An ECC would propose, e.g. to organise a number of workshops but would, rather, define the budget for this type of activities than the precise topic of the workshop. This would allow for more flexible expenditures and still would give sufficient financial control.
29. **Annual budgets should be transparent and allow to assess inputs for each specific function.** Each budget item should be clearly defined so that expenditures of different ECCs can be easily compared. All activity related costs should be reported as such.
30. **The hosting body should receive an appropriate reimbursement of overhead costs related to hosting the ECC.** Therefore, all ECCs should

be encouraged to include in the budget overheads of up to 7% of total eligible costs for the action in line with Article 181 of the Implementation Rules. A part of this should cover the costs of the hosting body for financial administration etc. The reimbursement of these costs would also provide an incentive to host the ECC.

Performance and demand oriented funding

Until now, most ECCs (with some exceptions, notably Bolzano) have roughly similar financial resources, disregarding the size of the country and the demand for assistance. It is foreseeable that this policy will cause problems, because individual cross-border activities of consumers and, as a consequence of this, cross-border consumer disputes may be expected to increase steadily. Presently, the rather uniform budget leads to the following distortions:

- Whereas cross-border shopping tends to be higher in northern Member States, ECCs have less staff capacity, because average wages are higher (with the exception of UK and Ireland). Some ECCs in bigger (Northern) Member States will soon reach the limits of their capacity or are already operating at the limit. The question of demand and capacity has already extensively been discussed in section 6.
- In a Member State such as Greece a nationally funded advice system for consumers hardly exists. Advice is mainly given by consumer organisations receiving very little state support and/or by the relevant state body itself (with also only a limited capacity). A similar situation can also be found in some new Member States. In this context the comparatively well funded ECCs are under intense pressure to also deal with national complaints.
- Performance of an ECC is not reflected in its funding. Control by the EC is mainly done through asking for detailed annual work plans, which lead to little flexibility (see above).

This leads to the following recommendations:

31. **The budget of the ECC should include components depending on demand and performance.** It is proposed to provide all ECCs with sufficient funds to equip and employ a uniform core staff of at least four (director, advisor/legal expert, press officer, researcher/administrator). Maximum ceilings for staff costs should be set according to average staff costs per country. More staff capacity should depend on the demand expressed through documented cross-border cases handled by ECC staff during the last year and the possible maximum demand depending on population size, frequency of cross-border shopping and tourism (see section 6). Depending on demand additional advisers could be financed. The maximum figures should be adapted according to the development of total demand.
32. **There should be an upper limit for activity related costs.** As higher activity related costs have not proven to be cost-effective, there should be an upper limit for activity related costs. The maximum figures should be also adapted on a regular basis to rising costs for, e.g. printing of brochures.
33. **There should be additional funds for specific projects.** Larger projects in the area of research or PR may easily involve higher costs than could be paid from the core budget. Especially for ECCs co-ordinating such projects a special fund should be available, e.g. to employ an additional researcher for a specific period. ECCs would apply with the annual working plan for funding of specific projects.

Introducing functional budgeting

While this study is evaluating the performance of the ECC network as a whole and of individual centres, the EC commissioned a separate study on the evaluation of the EEJ-Net and an ex-ante budgetary evaluation of a possible merger of EEJ-Net and the ECC-network. The report concluded:

It is recommended that there should be two budget elements. The first element supports the core mandated centre infrastructure, covering staff needs, office and other resources for the basic operations of the merged network. The second element is special improvement projects ... that would be funded on the basis of a proposal and additional "sub-contract". Both the core and the additional funding should be part of the same grant agreement.³³

This recommendation is fully in line with the conclusions reached by the evaluators of Civic Consulting, which led to recommendations 27 to 33. As the development of proposals for future financing of the merged network was not part of the mandate of this present evaluation and has also be covered in detail by the above mentioned ex-ante budgetary evaluation, only some elements of the new budgeting framework shall be emphasised here:

- The core budget should be based on demand and performance (recommendation 31) and should allow the assessment of inputs for specific functions.
- The "second budget element" will consist of special projects. Based on the results of this evaluation additional funds (recommendation 33) should be available for, among others
 - Research projects (at least for the coordinating ECC)
 - Publications to be used by all network partners (for the ECC producing and printing the publication)
 - Network wide campaigns (at least for the coordinating ECC)
 - Management of network infrastructure, e.g. the ECC intranet (for the ECC hosting the intranet)

Some of the special projects (especially with relevance for the whole network) could be bid for by individual ECCs. The criteria for the awarding of the projects could then be defined to include, for example, value for money, quality of project planning and clearly defined objectives.

- Longer contracts with the ECCs (recommendation 27) could be introduced through establishing framework partnership agreements. According to Article 163 of the Implementation Rules regarding the Financial Regulation a "framework partnership may be concluded with beneficiaries with a view to establishing long-term cooperation with the Commission"³⁴. Such a partnership can be concluded for both action grants and functioning grants (according to Article 108 of the Financial Regulation³⁵). The first-time framework partnership agreements with the ECCs could be concluded for the financial years 2006 and 2007, i.e. until the expiry of the present legal base (Decision No 20/2004/EC of 8 December 2003).
- Should the Commission conclude that financing of the ECC network is most appropriately done as an action grant all ECCs should be encouraged to include in the budget overheads of up to 7% of total eligible costs for the action in line with Article 181 of the Implementation Rules. A part of this should cover the costs of the hosting body for financial administration etc. (recommendation 30).

³³ EPEC, Ex Ante Budgetary Evaluation of a Possible Merger of EEJ-Net and the ECC Network and Assessment of the Pilot Phase of the EEJ-Net, Final Report July 2004, p. 16

³⁴ COMMISSION REGULATION No 2342/2002 of 23 December 2002

³⁵ COUNCIL REGULATION (EC, Euratom) No 1605/2002 of 25 June 2002

Annex I: Schedule of evaluation visits

ECC	Evaluation Team	From	To
1. Stockholm	C. Knights, L. Maier, F. Alleweldt	Wed 4.2.	Fri 6.2.
2. Düsseldorf/ Gronau and Ministry Bonn	L. Maier, F. Alleweldt	Tue 24.2.	Wed 25.2.
3. Helsinki	C. Knights, L. Maier	Sun 29.2.	Tue 2.3.
<i>Vzbv Berlin</i>	L. Maier, F. Alleweldt	Thu 11.3.	Thu 11.3.
4. London (Tue) and Wolverhampton (Mon)	C. Knights, F. Alleweldt, S. Kara	Mon 22.3.	Tue 23.3.
5. Rome/Bolzano	C. Knights, L. Maier	Wed 24.3.	Fri 26.3.
6. Vienna	L. Maier, F. Alleweldt, S. Kara	Fri 2.4.	Mon 5.4.
7. Paris/Lille	C. Knights, L. Maier	Tue 13.4.	Wed 14.4.
8. Kiel	L. Maier, F. Alleweldt, C. Macdougall	Mon 19.4.	Tue 20.4.
9. Brussels	C. Knights, L. Maier	Sun 25.4.	Tue 27.4.
<i>Commission Brussels (14.30-17.30)</i>	C. Knights, L. Maier, F. Alleweldt	Tue 27.4.	Wed 27.4.
10. Vitoria/Madrid	L. Maier, F. Alleweldt	Fri 7.5.	Tue 11.5.
11. Athens	C. Knights, F. Alleweldt	Mon 24.5.	Tue 25.5.
12. Barcelona	L. Maier, F. Alleweldt	Fri 11.6.	Mon 14.6.
13. Dublin	C. Knights, F. Alleweldt	Mon 28.6.	Tue 29.6.
14. Luxembourg	C. Knights, L. Maier	Mon 5.7.	Tue 6.7.
15. Lisbon	C. Knights, F. Alleweldt	Thu 15.7.	Fri 16.7.

Annex II: Questionnaire to ECCs

Questionnaire for European Consumer Centres

Please return questionnaire no later than **March 22, 2004**
by e-mail (preferred) to

euroguichets@aol.com

or by FAX +49-30-21962298

A. QUESTIONNAIRE COMPLETED BY

Name ...

Position ...

Direct phone number ...

E-mail ...

Date ...

B. IDENTIFICATION DATA

Name of ECC:	
Hosting organisation:	
Country:	
Address:	
Phone:	
Fax:	
Website:	

C. GENERAL DATA

C 1 In which year was the ECC set up and opened for consumers?
.....

C 1

C 2 What is the legal status of the ECC?
.....

C 2

Please attach a copy of the following documents, if applicable:

- Agreement between hosting organisation, government and EC on founding of ECC
- Documents on the basis of co-operation between hosting organisation and ECC
- Statute of the ECC, including documents on composition and tasks of board of ECC

C 3 Please fill in the following table on your sources of funding (in Euro and %).
(Please include all funds received from EC, also related to Clearing House function, if applicable).

	<i>2002 Euro</i>	<i>%</i>	<i>2003 Euro</i>	<i>%</i>	
A1. EU-ECC (including IPM)					C 3A1
A2. EU-Clearing House					C 3A2
B. Hosting organisation					C 3B
C. Other organisations:					C 3C
D. Donations					C 3D
<i>Total:</i>		<i>100</i>		<i>100</i>	C 3T

C 4 Did you receive any funding in kind (free or low rent premises etc.)? If yes, please elaborate below or on page 16.

Yes
No

C 4.1
2

1

C 5 Please fill in the following table on the budget spent (in Euro).

	<i>2002 Euro</i>	<i>%</i>	<i>2003 Euro</i>	<i>%</i>	
A. Employment costs (permanent staff incl. associated costs)					C 5A
B. Renting of premises					C 5B
C. Office running costs (electricity, telecommunication, postage etc.)					C 5C
D. Office equipment (computers etc., including servicing)					C 5D
E. Training costs (for staff, volunteers, interns)					C 5E
F. Activity related costs (all other costs)					C 5F
<i>Total budget of ECC:</i>		<i>100</i>		<i>100</i>	C 5T

C 6 Please detail in the following table the activity related costs listed in question C 5.

	<i>2002 Euro</i>	<i>%</i>	<i>2003 Euro</i>	<i>%</i>
F1. Travel costs				
F2. Production of publications and audio-visual materials				
F3. Website				
F4. Organisation of conferences, events				
F5. Research/study contracts				
F6. Other costs				
<i>F. Activity related costs (must be identical to letter F. in table C5):</i>		100		100

C 7 Please fill in the following table on your staff resources.

	<i>2002 Number</i>	<i>2003 Number</i>
A. Full time staff		
B. Part time staff		
C. Volunteers		
D. Others (interns, trainees etc.)		

C 8 Please calculate the total average number of hours worked by your full and part-time staff per week in the year 2003 (*not including volunteers, interns, and trainees*). *Absence due to training, holidays, and illness is to be neglected (please note exceptional circumstances on page 16)*. **The total average number of hours per week will be referred to in subsequent sections of this questionnaire.**

	<i>Education/Degree</i>	<i>Position, Job description</i>	<i>Knowledge of English language (please mark with x)</i>			<i>Average working hours per week in 2003</i>
			<i>Very good</i>	<i>Ade- quate</i>	<i>Basic</i>	
Staff 1:						
Staff 2:						
Staff 3:						
Staff 4:						
Staff 5:						
Staff 6:						
Staff 7:						
Staff 8:						
<i>Please add up working hours of staff 1 to staff 8. The result is the total average number of hours worked by your staff per week (= total weekly working hours)</i>						

C 9 Please calculate the total average number of hours worked by volunteers, interns and trainees per week in the year 2003. Absence due to training, holidays, and illness is to be neglected (please note exceptional circumstances on page 16).

	<i>Education level</i>	<i>Job description</i>	<i>Average working hours per week in 2003</i>	
Volunteers				C 9A
Interns and trainees				C 9B
<i>Please add up working hours. The result is the total average number of hours worked by your volunteers, interns, and trainees per week</i>				C 9T

C 10 Please list the total number of staff days lost to sick leave in the years 2002 to 2003 (not including maternity leave).

	<i>2002</i>	<i>2003</i>	
Staff days lost to sick leave (of staff included in table C8):			C 10

C 11 Please list the total number of calendar days spent on training in the years 2002 to 2003.

	<i>2002</i>	<i>2003</i>	
Calendar days spent on training:			C 11

C 12 Is there a general concept for training of staff (curriculum)?

Yes

No

If yes, please elaborate below or on page 16.

.....

C 12.1
2

1

C 12.2

C 13 In 2003, did you use outside trainers or training organisations for training of staff?

Yes

No

If yes, please list institution(s) below.

.....

C 13.1
2

1

C 13.2

D. ASSISTANCE TO CONSUMERS

D 1 Please list the number of cases by category. (Case means any request for information and/or complaint and/or dispute registered in relation to a specific consumer matter.)

Category	2002 Number	2003 Number	
Housing, Mortgages, Buying & Selling, Renting			D 1A
Cars			D 1B
Timeshares, incl. Resale			D 1C
Textiles			D 1D
Electrical goods, Household appliances, Furniture			D 1E
Food Safety			D 1F
Euro			D 1FF
Financial Services, Loans			D 1G
Travel, Package Travel			D 1H
Advertising and Misleading Advertising			D 1I
Access to Justice; Mediation and arbitration			D 1J
Contracts, Guarantees			D 1K
Insurances			D 1L
Distance Selling, eCommerce			D 1M
Basic services			D 1N
Purchases, Selling			D 1O
New technologies			D 1P
Pricing			D 1Q
Product Safety			D 1R
VAT, Taxes			D 1S
Jewelry			D 1U
Unfair terms of contract; Commercial practices			D 1V
Games, Lotteries			D 1W
Other			D 1X
<i>Total:</i>			D 1T

D 2 Please list the number of cases by method of contact.

	<i>2002 Number</i>	<i>2003 Number</i>	
Telephone			D 2A
Visits			D 2B
Internet, email			D 2C
Written (mail) or Fax			D 2D
Through other ECCs or European contacts			D 2F
Others (specify: _____)			D 2G
<i>Total:</i>			D 2T

D 3 Please estimate the number of cases by type of assistance.

	<i>2002 Number</i>	<i>2003 Number</i>	
Type I: Provision of general information (simple questions)			D 3A
Type II: Detailed and case specific advice			D 3B
Type III: Disputes (complaints which were not solved through direct contact between the trader and the consumer)			D 3C
<i>Total:</i>			D 3T

D 4 Please estimate the number of queries by place of residence of consumer.

<i>Queries originating from consumers living in ...</i>	<i>2002 Number</i>	<i>2003 Number</i>	
... the same city			D 4A
... the same region (your country)			D 4B
... the same region (other country)*			D 4C
... your country (excluding your region)			D 4D
... other countries (excluding your region*)			D 4E
<i>Total:</i>			D 4T

* Only applicable for ECCs located in border regions

D 5 Please estimate the number of genuine cross-border cases.

	<i>2002 %</i>	<i>2003 %</i>	
Genuine cross-border cases approx.			D 5A
Other cases approx.			D 5B
<i>Total:</i>	100	100	D 5T

D 6 What type of data do you collect from consumers beside the category of query?

Please mark appropriate field.

Age

Gender

Profession

Income group

Place of residence

D 6

4

3

2

1

0

D 7 In 2003, did you have a library or press archive for staff and/or visitors?

Yes

No

D 7

2

1

D 8 Please estimate the percentage of total weekly working hours (calculated in question C8) used for assistance to consumers in 2003.

..... percent

D 8

E. CONSUMER EDUCATION AND PARTICIPATION IN CONFERENCES

E 1 Please list the number of all information and education activities other than direct assistance to consumers.

Activity	2002	2003	
A. Workshops and conferences financed from the ECC budget			E 1A
B. Workshops or conferences organised by third parties to which ECC staff was invited to hold a presentation (including workshops and conferences organised by the hosting organisation, not including EC and ECC network conferences/seminars and press conferences)			E 1B
C. Number of school classes visited by ECC staff			E 1C
D. Number of school classes visiting ECC premises			E 1D
E. Number of other information or education activities involving direct contact with consumers. Please specify:			E 1E
F. Educational seminars to professional groups (journalists, teachers, staff of consumer organisations, consumer advisors etc.)			E 1F
<i>Total:</i>			E 1T

E 2 Please estimate the percentage of total weekly working hours (calculated in question C8) used for consumer education and participation in conferences in 2003.

(Not including EC and ECC network conferences/seminars and press conferences)

..... percent

E 2

F. INFORMATION AND PROMOTION

F 1 Please list all public relations activities directed to media.

Activity	2002	2003	
A. Press releases sent to news media and/or published on ECC website			F 1A
B. Press conferences and media events organised by ECC			F 1B
C. Press conferences and media events organised by third parties in which ECC staff was invited to participate			F 1C
D. Participation in radio programmes (or interviews given for radio)			F 1D
E. Participation in TV programmes (or interviews given for TV)			F 1E
F. Other requests for information by media answered by ECC staff (including interviews with print media)			F 1F
<i>Total:</i>			F 1T

F 2 In 2003, did you keep track of media coverage of the ECC in local and national media?

Yes

If yes, please fill in the table below.

No

Media channel	2002 <i>Number of news items in which ECC is mentioned</i>	2003 <i>Number of news items in which ECC is mentioned</i>	
A. Newspapers and magazines			F 2.2A
B. Radio			F 2.2B
C. TV			F 2.2C
<i>Total:</i>			F 2.2T

F 3 Please list all information materials produced by ECC (including joint productions with other institutions).

Activity	2002	2003	
A. Number of printed brochures produced by ECC (up to 6 pages)			F 3A
B. Number of printed brochures produced by ECC (7 pages and more)			F 3B
C. Number of information documents prepared by ECC (e.g. documents for download etc.)			F 3C
D. Number of other information materials produced by ECC. Please specify.....			F 3D
<i>Total:</i>			F 3T

F 4 Please list the details of all information materials you have produced between 2002 and 2003 (Category A, B and D in question F3, including joint productions with other institutions).

<i>Year</i>	<i>Title</i>	<i>Type</i> <i>(leaflet, brochure, video etc.)</i>	<i>Pages</i> <i>(videos: minutes)</i>	<i>Copies</i>

F 4

F 5 In 2003, did you participate in European or national information campaigns concerning priorities of European consumer policy?
If yes, please elaborate below or on page 16.

Yes

No

F 5.1
2
1

.....

F 5.2

F 6 Please estimate the percentage of total weekly working hours (calculated in question C8) used for information and promotion in 2003.
(This includes all public relation activities and production of information and educational materials.)

..... percent

F 6

G. RESEARCH

G 1 Please list all research activities performed by ECC (including joint research with other institutions).

<i>Research activity</i>	<i>2002</i>	<i>2003</i>
Number of topical studies (such as cross-border comparisons of prices, legislation and other research)		
Other research activities. Please elaborate:		

G 1A

G 1B

G 2 Please list the details of all studies you have produced between 2002 and 2003 (including joint productions with other institutions).

<i>Year</i>	<i>Title</i>	<i>Type</i> <i>(price comparison, legal research etc..)</i>	<i>Pages of study report</i>	<i>Partners, if any</i>

G 2

G 3 Please estimate the percentage of total weekly working hours (calculated in question C8) used for research activities in 2003.

..... percent

G 3

H. FEEDBACK AND NETWORKING

H 1 Please list activities related to feedback and networking with EC and other ECCs and networks (EEJ-Net, FIN-Net).

<i>Activity</i>	<i>2002</i>	<i>2003</i>
Number of workshops, conferences etc. in which ECC staff participated (please include only workshops and conferences exclusively related to net-working with EC/other ECCs and networks)		

H 1

H 2 Please estimate the number of cases of co-operation in European and national networks related to consumer complaint cases in 2003.

<i>Name of network</i>	<i>Number of cases sent to ...</i>	<i>Number of cases received from ...</i>	<i>Number of cases discussed with.... *</i>
ECC-network			
Clearinghouses (EEJ-Net)			
FIN-Net			
National networks. Please specify:			

H 2

*Please list here only the cases which you have discussed with network partners but not sent to or received from them.

H 3 Please name the ECC and CH offices with which you were in regular contact in 2003 (case related and not case related).

<i>ECCs</i>	<i>Clearing Houses</i>

H 3

H 4 Please list the other major networking activities in which you were involved in 2003.

<i>Year</i>	<i>Activity</i>	<i>Partners</i>

H 4

H 5 Please estimate the percentage of total weekly working hours (calculated in question C8) used for feedback and networking in 2003.
(This includes networking with EC, other ECCs, and other networks, e.g. EEJ-Net, FIN-Net).

..... percent

H 5

I. PERSONELL AND FINANCIAL MANAGEMENT

I 1 Please estimate the percentage of total weekly working hours (calculated in question C8) used for personnel and financial management in 2003.

..... percent

/ 1

I 2 If you performed any other major activity in 2003 not addressed in the previous sections, please list below.

<i>No.</i>	<i>Activity</i>	<i>Description</i>
1		
2		
3		
4		
5		
6		
7		
8		
9		
10		

/ 2

I 3 Please estimate the percentage of total weekly working hours (calculated in question C8) used for the activities listed in table I3 in 2003.

..... percent

/ 3

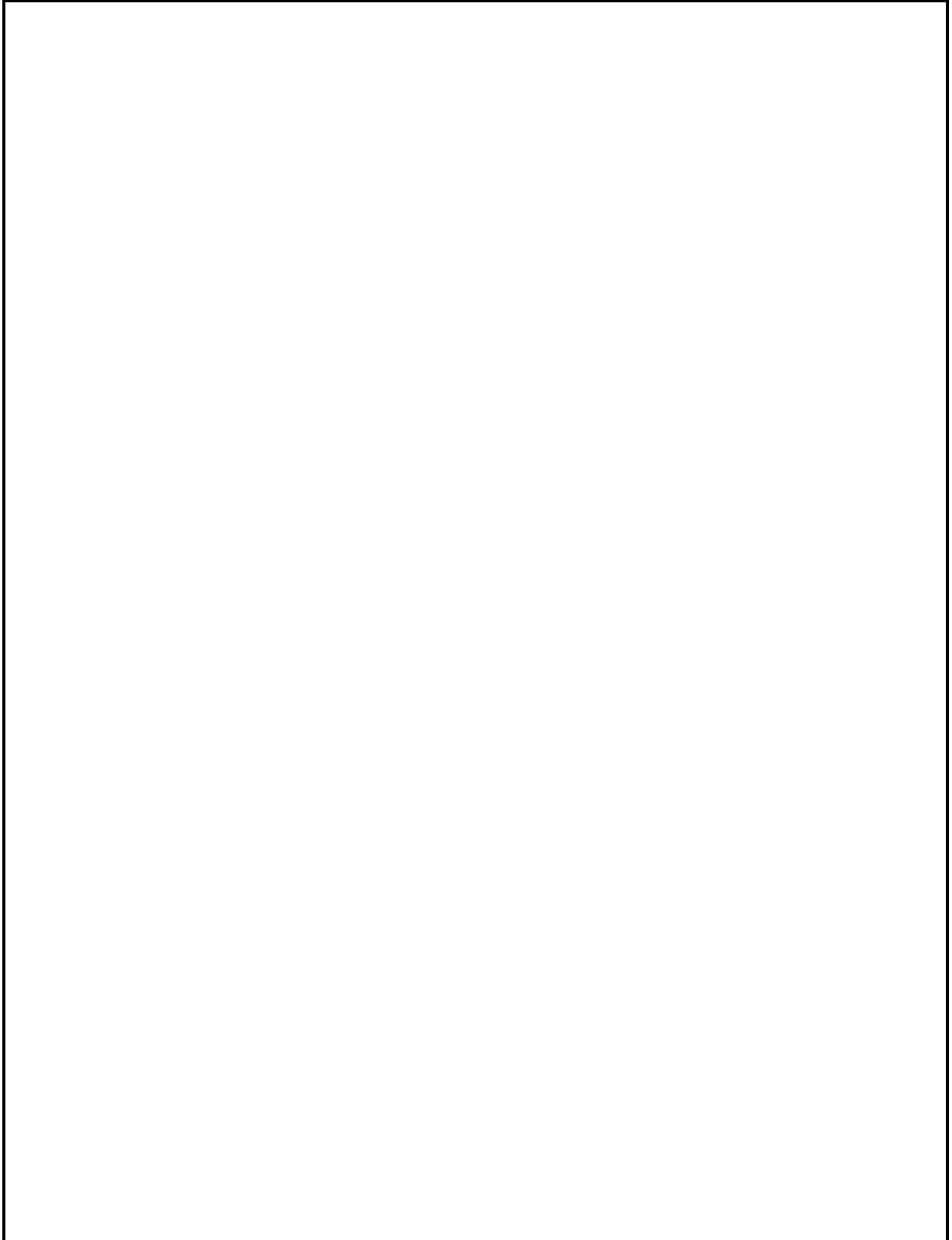
J. CROSS-CHECK

J 1 Please check again that your estimates of the percentage of total weekly working hours used for all activities of 2003 adds up to 100.

<i>Question</i>	<i>Percentage of total weekly working hours used for ...</i>	<i>Percentage</i>	
D10	... assistance to consumers		J 1A
E2	... consumer education and participation in conferences		J 1B
F6	... information and promotion		J 1C
G3	... research activities		J 1D
H4	... feedback and networking		J 1E
I1	... personell and financial management		J 1F
I4	... other activities		J 1G
<i>Total</i>		100	J 1T

K. ADDITIONAL INFORMATION

**Please use this page for additional information you may want to give.
Please indicate the number of the question you are referring to:**

A large, empty rectangular box with a black border, intended for providing additional information. The box is positioned below the instructions and occupies most of the page's width and height.

K