

ROADMAP

Title of the initiative:

Commission **Recommendation on the use of a harmonised methodology for classifying and reporting consumer complaints and enquiries**

Type of initiative (CWP/Catalogue/Comitology): CWP

Lead DG/contact person/details: DG SANCO

Expected date of adoption of the initiative (month/year):

ISC launched on 29/10/09.

This initiative is now postponed from 15 December 2009 to April 2010, following the Legal Service negative opinion on the inclusion of this initiative on the list of acts to be adopted by the interim Commission. The LS argued that this Recommendation was not compatible with the type of initiatives to be adopted by the care-taking Commission. After Barosso II came in place, the LS has given a positive opinion for adoption.

Date of modification:

Version No: 1

Initial IA screening & planning of further work

A. Context and problem definition

(i) What is the political context of the initiative?

This initiative follows on the conclusions of the European Council, the opinions of the European Parliament, the Economic and Social Committee, and the views of stakeholders (as expressed in two public consultations) to develop harmonised data on consumer complaints in order to better monitor the consumer market and deliver a better outcome for consumers.

The European Council has welcomed the Single Market Review which calls for policymaking and regulation at the EU level to develop a better understanding of market outcomes for consumers in the Internal Market through a development of tools and indicators such as consumer complaints.

The European Parliament believes that a harmonised methodology for classifying and reporting consumer complaints will allow the development of a more complete picture of national consumer markets enabling comparisons of consumer problems across the EU. The European Parliament has invited the Commission and the Member States to develop a harmonised methodology and the establishment of a Union wide database of consumer complaints. It has also called on all complaint bodies to adopt the methodology and report on complaints data once the methodology is in place.

The Economic and Social Committee has welcomed the introduction of a harmonised methodology as this will result in result a better understanding of how the internal market is functioning and where it is failing for consumers

The "EU Consumer Policy strategy 2007 – 2013" has set as one of its priorities the better monitoring of consumer markets and national consumer policies, including the development of a tool for monitoring consumer complaints.

How does this initiative relate to past and possible future initiatives, and to other EU policies?

This initiative follows on "EU Consumer Policy strategy 2007 – 2013" and the findings of the Single Market Review calling for a better monitoring of consumer markets, including amongst others comparable data on complaints.

What are the main problems identified?

The main problem towards better monitoring of markets from the consumer perspective is the lack of indicators and harmonised data. At the moment there are no harmonised data on consumer complaints addressed to third parties (e.g. Member State authorities, consumer organisations, regulators, etc.). The value of a harmonised complaint classification at EU level will be considerable, whether for EU institutions and stakeholders or for national institutions and stakeholders and complaint bodies themselves. A harmonised methodology will enable comparison of markets and consumer problems across sectors and Member States.

Who is affected?

The main beneficiaries of this initiative will be consumers themselves. Consumer complaints are an important "grass roots" input into policy-making. It is increasingly important for policymakers at national and EU level to listen to the "voice" of the consumers and understand what they have to say, and to be able to convincingly communicate to citizens that their daily concerns are heard at the highest policy-making level. This is a golden opportunity, both for national governments and the EU, to re-engage with citizens and listen more attentively to their every day problems and concerns.

(i) Is EU action justified on grounds of subsidiarity? (ii) Why can the objectives of the proposed action not be achieved sufficiently by Member States (necessity test)? (iii) As a result of this, can objectives be better achieved by action by the Community (test of EU Value Added)?

In the case of non-action at EU level we remain where we are today with non-harmonised complaints data. This makes the establishment of benchmarks and the monitoring of the consumer market, across sectors and Member States, very difficult. Also, even if Member States develop harmonised methodologies themselves comparisons across Member States would not be possible making the monitoring of the Internal Market from the consumers' perspective impossible.

B. Objectives of EU initiative

What are the main policy objectives?

To further develop a robust evidence-based consumer policy, which has consumers' interests at heart. Complaints are already collected by complaint bodies in all Member States. Yet, they are not comparable meaning that we cannot reach any meaningful policy conclusions. The introduction of a harmonised methodology aims to deliver comparable data at regular intervals.

Do the objectives imply developing EU policy in new areas or in areas of strategic importance?

This initiative will improve the functioning of both the Internal Market and national consumer markets.

C. Options

(i) What are the policy options? (ii) What legislative or 'soft law' instruments could be considered? (iii) Would any legislative initiatives go beyond routine up-date of existing legislation?

(i) The policy options are: a) no-action, b) "soft law" such as a Recommendation and c) legislative initiative

(ii) This Recommendation is an example of "soft law"

(iii) No

Does the action proposed in the options cut across several policy areas or impact on action taken/planned by other Commission departments?

The initiative covers consumer complaints across the retail market.

Explain how the options respect the proportionality principle

The chosen option, a Recommendation of a voluntary nature, respects the proportionality principle by taking into consideration the specificities of each particular Member State and complaints bodies as it is flexible in the manner of organisation at national level and the way of reporting the data.

D. Initial assessment of impacts

What are the significant impacts likely to result from each policy option (cf. list of impacts in the Impact Assessment Guidelines pages 32-37), even if these impacts would materialise only after subsequent Commission initiatives?

No action - In the case of non-action at EU level we remain where we are today with non-harmonised complaints data. This makes the establishment of benchmarks and the monitoring of the consumer market, across sectors and Member States, very difficult.

Soft-law – It is estimated that the Recommendation will deliver harmonised data from the majority of complaint bodies around the EU, thus significantly helping to improve the functioning of consumer markets.

Hard-law – This could meet some resistance from stakeholders and delay significantly the implementation of the methodology.

Could the options have impacts on the EU-Budget (above 5 Mio €) and/or should the IA also serve as the ex-ante evaluation, required by the Financial Regulation?

No

Could the options have significant impacts on (i) simplification, (ii) administrative burden or on (iii) relations with third countries?

The initiative is a step towards better-regulation through evidence based policies.

E. Planning of further impact assessment work

When will the impact assessment work start?

It was agreed with the SG that no Impact Assessment was needed.

(i) What information and data are already available? (ii) Will this impact assessment build on already existing impact assessment work or evaluations carried out? (iii) What further information needs to be gathered? (iv) How will this be done (e.g. internally or by an external contractor) and by when?

(v) What type and level of analysis will be carried out (cf. principle of proportionate analysis)?

Which stakeholders & experts have been/will be consulted, how and at what stage?

Stakeholders have been consulted in two public consultations and through the establishment of a dedicated expert group made up of bodies collecting consumer complaints. The majority of complaint bodies around the EU support the introduction of a harmonised methodology for classifying and reporting consumer complaints.