



EUROPEAN COMMISSION
Impact Assessment Board

Brussels,
D(2011)

Opinion

Title **DG SANCO - Impact assessment on Consumer Programme
(2014-2020)**

(draft version of 29 July 2011)

(A) Context

The Commission adopted an over-arching proposal for the next multiannual financial framework (MFF) on 29 June 2011, fixing high-level budget allocations and some key implementation choices. A series of follow-up proposals to provide a legal basis for sectoral spending programmes and to establish their specific budgetary arrangements are currently being finalised. This Impact Assessment report will accompany one such proposal for a Consumer Programme for the 2014-2020 programming period, following the 2007-2013 Consumer Programme. The report considers how best to manage such funds, through options that primarily relate to the nature of activities that could be funded to secure best EU added value. The allocated budget is €175 million for the period.

The IAB has focused on the policy choices not yet fixed in the MFF June package.

(B) Overall assessment

Although the evaluation summaries are useful, this report in its current form has serious weaknesses. It should make better use of source evidence that seems to have been gathered. Firstly, the report should provide a clearer assessment of the expected impacts that more consistently uses available evidence. Secondly, the report should put prioritisation considerations in context by clarifying the EU's broad established strategy of focusing on particular consumer policy issues. Thirdly, the report should clearly identify problems with the way funds are administered and assess proposed solutions. Fourth, the report should better indicate the funding changes or distribution implied by the options. Recent stakeholder views should be included, alongside other evidence and analysis.

(C) Main recommendations for improvements

(1) Strengthen the assessment of the impacts by more consistently using available evidence. On proportionality grounds, this assessment can be built on available evidence such as evaluation findings and activity statistics. However, the report should make clearer predictions about the likely impacts on identified consumer problems, systematically going beyond impacts on funded actions/activities. It should also employ evidence more consistently to support these predictions. Expected environmental and social impacts should also be mentioned. The Board has provided several suggestions about how to do this, but mentions three here as examples. On consumer education, there is a need to more clearly explain what a refocusing of resources would entail, for example by clarifying changes to targeted groups and to the Commission's role (in content development, delivery etc), and also to outline expected impacts with reference to evaluations and stakeholder views. On enforcement via the Consumer Protection Cooperation Network, the likely impacts of extra enforcement work should be better identified. The discussion about improving consumer information through work on price comparison guidance should explain likely impacts (and the corresponding problem section should far better demonstrate that a market failure exists in order to show the option chosen is appropriate).

(2) Put prioritisation considerations in context by clarifying the EU's broad consumer policy strategy. Although the report currently demonstrates that consumers face a variety of situations where their rights are not well protected, the rather wide-ranging problems should be better put in context and prioritised. The report should therefore better introduce the problem by highlighting the shared responsibility of the EU and Member States in this area, and by explaining the rationale underlying the EU's strategic focus on the five issues then covered (e.g. reframe start of §3.2). It would be useful to recall the size of budget available. Objectives should be adapted according to the prioritisation of the problems and made as operational as possible to facilitate option comparisons.

(3) Clearly identify problems with the way funds are administered and assess proposed solutions. The few concerns that are briefly mentioned as stemming from the way funds are passed to beneficiaries should be clearly labelled as process-related problems. Their cause and consequences should be more fully explained, for example by briefly mentioning the rules that prompt annual programming and the uncertainties and perhaps extra costs this brings for certain regular beneficiaries addressing European consumer issues. Later, the description of the preferred option should incorporate proposed solutions such as rule adjustments, and any discarded ideas could be mentioned. The impacts of resolving each identified process-related problem should be grouped under a sub-heading and the report should be clear about whether all or some of the negative consequences are expected to be avoided.

(4) Better illustrate the options using an indicative table on funding distribution. To provide a clear overview of the options, the report should provide a summary table or diagram at the start of the option or impact section to give a broad indicative view of the funding distribution. This could list the five problem issues, ideally sub-divided into the components that are separately examined in the impact section, using one column per option to record either an approximate cash allocation or whether the listed components would ideally be allocated funding at approximately the 2007-2013 baseline level or would get higher or lower level funding. It should also signal where a similar level of funding would be directed to similar activities and where to a refocused set of activities.

Some more technical comments have been transmitted directly to the author DG and are expected to be incorporated in the final version of the impact assessment report.

(D) Procedure and presentation

The views of different stakeholder groups as expressed through recent discussions and requests for comment should be summarised, either in an annex or in the introduction. To improve readability, it is strongly suggested that option 3 should be screened out of consideration due to its unfeasible cost. This would allow it to be omitted from the impact section to reduce the number of option components covered. Also, the sections on necessity and added value could be reduced in length.

(E) IAB scrutiny process

Reference number	2011/SANCO/047 (implications for 2012/SANCO/005)
External expertise used	No
Date of IAB meeting	7 September 2011