

EUROPEAN COMMISSION

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ANNEX 3

ANNEX

to the

COMMISSION IMPLEMENTING DECISION

on the financing of the Programme for the internal market, competitiveness of enterprises, including small and medium-sized enterprises, the area of plants, animals, food and feed, and European statistics and the adoption of the work programme for 2023-2024

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ANNEX III

PROMOTING THE INTERESTS OF CONSUMERS AND ENSURING A HIGH LEVEL OF CONSUMER PROTECTION AND PRODUCT SAFETY

1. INTRODUCTION

This multi-annual work programme implements the specific objective laid down in Article 3(2)(d)(i) of the Regulation (EU) 2021/690 of the European Parliament and of the Council of 28 April 2021 establishing the Single Market Programme ¹ (hereafter the SMP Regulation), with due consideration of the obectives of the 2020 Consumer Agenda².

The Consumer specific objective of the Single Market Programme aims at promoting the interest of consumers, ensuring a high level of consumer protection and product safety by empowering, assisting and educating consumers, businesses and civil society, promoting sustainable consumption, supporting competent enforcement authorities and consumer organisations, and ensuring that all consumers have access to efficient redress mechanisms.

The work programme is subject to consultation of an advisory Committee formed by representatives from Member States and referred to under Article 21(2) of the SMP Regulation.

This work programme contains the actions to be financed and the budget breakdown for the years 2023-2024 as follows:

- a) for grants implemented under direct management (point 2),
- b) for procurements implemented under direct management (point 3),
- c) for actions implemented under indirect management (point 4).

The total budgetary envelope reserved for the Consumer specific objective of the Single Market Programme for 2023-2024 is EUR 49 093 493 (EUR 24 340 886 in 2023 and EUR 24 752 606 in 2024) of which around EUR 36 000 000 million will be implemented through actions that will be delegated to the European Innovation Council and SMEs Executive Agency (EISMEA).

The budget includes EUR 1 397 493 (EUR 692 886 in 2023 and EUR 704 606 in 2024) in commitment appropriations arising from the participation of EEA EFTA states to the programme and are therefore subject to the agreement on their participation.

The countries participating in the implementation of the 2023-2024 work programme are:

- a) EU Member States;
- b) In line with Article 5 of the SMP Regulation, countries of the European Free Trade Association which are members of the European Economic Area, in accordance with the conditions established in the Agreement on the European Economic Area. In this context, Iceland, Lichtenstein and Norway are countries associated to the Consumer specific objective of the SMP.

¹ Regulation (EU) 2021/690 of the European Parliament and of the Council of 28 April 2021 establishing a programme for the internal market, competitiveness of enterprises, including small and medium-sized enterprises, the area of plants, animals, food and feed, and European statistics (Single Market Programme) and repealing Regulations (EU) No 99/2013, (EU) No 1287/2013, (EU) No 254/2014 and (EU) No 652/2014

² <u>https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX:52020DC0696</u>

c) Should additional third countries conclude an agreement with the Union on their participation in the SMP as of 2023, this will be announced in the relevant call for proposals and/or on the Programme's website.

INDICATIVE BUDGET BREAKDOWN PER EXPENDITURE CATEGORY AND ACTION TYPE:

Grants	(EUR)
Calls for proposals for action grants to provide financial contributions to organisations representing consumer interests in Members States or offering assistance to consumers in Member States (2.1)	4 810 000
Operating grant to support the activities of the consumer organisation at the Union level – award to beneficiary identified in the legal base – BEUC (2.2)	4 800 000
Action grants to the designated bodies to host the European Consumer Centres (ECCs) (2.3)	16 000 000
Grants sub-total:	25 610 000
Procurements	(EUR)
Market surveillance and enforcement actions (3.1)	6 100 000
Capacity building, training, knowledge sharing, awareness raising and consumer education actions (3.2)	3 420 000
Studies, analyses, evaluations, scoreboards and surveys (3.3)	3 550 000
IT systems and information support structures (3.4)	6 106 029
Events, workshops, conferences, networking activities and communication campains (3.5)	3 787 464
Procurements sub-total:	22 963 493
Indirect management	(EUR)
Support to entrusted international organisations for actions on product safety (4.1)	520 000
Indirect managment sub-total:	520 000
TOTAL	49 093 493

Legal basis

Regulation (EU) 2021/690 of the European Parliament and of the Council establishing the Programme for single market, competitiveness of enterprises, including small and medium-sized enterprises, and European statistics for the specific objective related to promoting consumers interests and ensuring a high level of consumer protection and product safety

Budget line

Budget line 03.020401

Single Market Programme: Ensuring a high level of consumer protection and product safety

Objectives pursued

As laid down in Article 3.2(d)(i) of the Single Market Programme Regulation, the Programme has the specific objective to promote the interests of consumers and ensure a high level of consumer protection and product safety through measures that:

- empower, assist and educate consumers, businesses and civil society representatives, in particular with regard to consumer rights under Union law
- promote more sustainable patterns of consumption, in particular through raising awareness of the environmental impact of goods and services,
- ensure a high level of consumer protection, paying particular attention to adequate measures for vulnerable consumers' needs and rights,
- enhance and consolidate the product safety through effective market surveillance,
- contribute to improving the quality and availability of standards across the Union and efficiently addressing unfair commercial practices,
- support competent enforcement authorities and consumer organisations and actions that strengthen cooperation between competent authorities, and
- ensure that all consumers have access to efficient redress mechanisms and receive appropriate information on markets and consumer rights.

Expected results

- Increased awareness of consumer rights and greater access to information on goods and services, in order to make free and informed choices.
- Better consumer protection, product safety and service quality, with a particular focus on vulnerable consumers.
- Enhanced fairness, transparency and consumer' trust in the internal market, in particular when buying cross-border or online.
- Increased sustainable consumption and reduced environmental impact.
- Greater consumer access to effective dispute resolution mechanisms.
- Reinforced capacity of enforcement authorities and consumer organisations.
- Appropriate representation of consumer interests and effective participation of consumer organisations as well as environmental and social stakeholders in consumer policy activities.
- Improved evidence on market and consumer conditions in the internal market.
- Ongoing enhancement and effective application of consumer protection rules.

2. GRANTS

The global budgetary envelope reserved for grants under this work programme is EUR 25 610 000.

2.1. Calls for proposals for action grants to provide financial contributions to organisations representing consumer interests in Members States or offering assistance to consumers in Member States

Type of applicants targeted by the calls for proposals

Calls for proposals for action grants in 2023 and 2024 will aim at providing financial contributions to organisations representing consumer interests in Members States or offering assistance to consumers in Member States, including in the form of Alternative Dispute Resolution (ADR), qualified entities enabled to bring representative actions under the Representative Actions Directive (EU) 2020/1828, awareness raising, education and debt advice services to consumers. The applicants shall be supporting the enforcement of EU consumer law or facilitating the access of consumers to alternative dispute resolution (ADR) schemes compliant with Directive 2013/11/EU9, as well as to debt advice, actions related to consumer education, local advice and supporting measures for vulnerable consumers.

Description of the activities to be funded under the call for proposals.

The projects receiving action grants shall aim at supporting enforcement of EU consumer law, in particular in the form of representative actions or facilitating the access of consumers to ADR schemes compliant with Directive 2013/11/EU⁹, as well as to debt advice, supporting actions related to consumer education, local advice and supporting measures for vulnerable consumers.

In particular, the following activities should be priorities: make ADR bodies, qualified entities and providers of assistance such as debt advice more accessible to the consumers, including in the cross-border context, improve their operational capacity in resolving consumer disputes and problems, bringing representative actions and debt advice schemes, promote monitoring activities on the functioning and the effectiveness of dispute resolution, and debt advice mechanisms. Grants for qualified entites will be prioritised for creating websites, using IT tools, preparing the procedures preventing conflicts of interest between different actors participating in representative actions and raising consumers' awareness on representative actions.

Award criteria

Relevance of the proposed actions in view of the objectives pursued, quality of proposal (project design and implementation, project team and cooperation arrangements), expected long-term impact and sustainability of results.

Implementation

by EISMEA

Indicative breakdown of annual instalments

2023	2024
Budget	Budget
(EUR)	(EUR)
1 000 000	3 810 000

Indicative timetable

Q2 2023 and Q2 2024

Additional information

The maximum co-financing rate for grants covered by this part is up to 90% of the eligible costs, except for calls for proposals facilitating the access of consumers to debt advice and to support measures for vulnerable consumers that can cover grants with a maximum co-financing rate of 95%.

2.2. Operating grant to support the activities of the consumer organisation at the Union level – award to beneficiary identified in the legal base - Bureau Européen des Unions de Consommateurs (BEUC)

Legal basis

Article 10(1)(e) of Regulation (EU) 2021/690

Article 195(d) of the Financial Regulation

Type of applicant

In accordance with Article 10(1)(e) of the SMP Regulation, Bureau Européen des Unions de Consommateurs (BEUC) will be eligible for two consequent annual operating grants to support their functioning.

Description of the activities to be funded under the grant awarded without a call for proposals on the basis of Article 195 of the Financial Regulation

BEUC's functioning will be co-financed. This will include: involvement and participation in public consultations to review legislation and in meetings with stakeholder groups, not only concerning the priorities set by the consumer policy itself, but also concerning the mainstreaming of national consumer interests in other EU relevant policies, cooperation on concrete issues with EU level regulators (such as on energy), with NGOs (for example on environment), and with business associations (such as AIM brand association, Eurocommerce, Digital Europe and Eurelectric); communication and dissemination of the results of its activities; networking with and supporting the national consumer organisations.

Implementation

by EISMEA

Indicative breakdown of annual amounts

2023	2024
Budget	Budget
(EUR)	(EUR)
2 400 000	2 400 000

Indicative timetable

Q2 2023 and Q2 2024

Award criteria

Relevance of the proposed actions in view of the objectives pursued, quality of proposal (project design and implementation, project team and cooperation arrangements), expected long-term impact and sustainability of results.

Additional information

The maximum co-financing rate is 50%

2.3. Action grants to the designated bodies to host the European Consumer Centres

Legal basis

Article 9(5) of Regulation (EU) 2021/690

Article 195(d) of the Financial Regulation

Type of applicants targeted by the grants

The European Consumer Centres (ECCs) are currently active in the Member States as well as in Norway, Lichtenstein and Iceland. Their network (ECC-Net) provides information and assistance to consumers to help them exercise their rights in cross border purchases and obtain access to appropriate dispute resolution.

Grants may be awarded to the bodies designated by the EU Member States, Norway, Lichtenstein and Iceland. The procedure to designate the ECC host must respect the principles of legality and transparency.

Each ECC can benefit from one grant under Topic 1 and several grants under Topic 2, as explained below.

2.3.1 Action grants to the designated bodies to host the European Consumer Centres: Topic 1 – Actions in scope of core ECC activities in the respective participating Member States

Description of the activities to be funded

- A. ECC action grants shall focus on assisting consumers with protecting and asserting their rights in cross-border purchases in the Single Market and in particular cover all the following activities: awareness raising and promotional activities on consumer rights and safety, direct provision of information, dissemination of best practices among the network, assisting consumers with a complaint or with a dispute, promotion of ADR, online dispute resolution (ODR) activities and other redress mechanisms, including providing relevant data for representative actions, collaboration with traders (associations or professional bodies), enforcement authorities and other bodies, collecting and analysing information on consumer cases for statistical and policy-making purposes, developing efficient collaboration within the network and improving its corporate image, promotion of equal quality services, partnership with bodies with similar activities in third countries, in particular with a view to promote assistance to tourists travelling from and to such countries.
- **B.** Grants for priority actions shall cover all the actions described in point A. above and be executed by beneficiaries from Member States with a GDP per capita in the lower range within the Union distribution of GDP per capita.

Implementation

by EISMEA

Indicative breakdown of Topic 1 annual instalments

2023	2024
Budget	Budget
(EUR)	(EUR)
7 500 000	7 500 000

Indicative timetable

Q2 2023 and Q2 2024

Award criteria

Relevance of the proposed actions in view of the objectives pursued, the conformity of the designation procedure, with regard to the relevant national legislation and transparency requirements.

Additional information on Topic 1

The maximum EU co-financing rate for carrying out the activities corresponding to what is described in **Topic 1**, **point A.** above will cover up to 52% of the eligible costs.

The maximum EU co-financing rate for carrying out the activities corresponding to what is described in **Topic 1**, **point B.** above, i.e. priority actions, will cover up to 67% of the eligible costs.

Grants may be awarded on the basis of a multiannual grant agreement covering activities taking place in the period 2024-2025 but on the basis of available annual appropriations in 2023-2024.

2.3.2 Action grants to the designated bodies to host the European Consumer Centres:

Topic 2 – EU dimension actions

Description of the activities to be funded

Grants for actions with EU dimension shall cover actions which go beyond the activities of a European Consumer Centre covered under Topic 1, and which aim to benefit the whole network in order to strengthen its overall impact. Such additional actions can cover projects/activities developed under the Network's focus groups or indicated as policy objectives by the European Commission.

Implementation

by EISMEA

Indicative breakdown of Topic 2 annual instalments

2023	2024
Budget	Budget
(EUR)	(EUR)
500 000	500 000

Indicative timetable

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Q2 2023 and Q2 2024
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Award criteria

Relevance of the proposed actions in view of the objectives pursued, the conformity of the designation procedure, with regard to the relevant national legislation and transparency requirements.

Additional information on Topic 2

The maximum EU co-financing rate for carrying out the activities corresponding to what described in Topic 2 - EU dimension actions, will cover up to 95% of the eligible costs.

Grants may be awarded on the basis of a multiannual grant agreement covering activities taking place in the period 2024-2025 but on the basis of available annual appropriations in 2023-2024.

3. **PROCUREMENTS**

The global budgetary envelope reserved for procurement contracts in 2023-2024 is EUR 22 963 493.

3.1. Market surveillance and enforcement actions

General description of the contracts envisaged

Contracts based on open calls for tender or specific contracts concluded on the basis of existing framework contracts will be concluded to:

- Carry out coordinated activities on market surveillance for dangerous products across the EU to improve effective application of Directive 2001/95/EC on general product safety (GPSD)³. These activities include joint actions ("Coordinated Activities on the Safety of Products"), the support to the exchanges of Member States and EEA EFTA states enforcement officials in the areas of consumer safety, launch of e-enforcement labs, as well as the use of web crawling, data processing and other innovative tools in online market surveillance and product safety.
- Provide services in relation to activities in the field of exchanges of enforcement officials from Member States, EEA EFTA states and/or third countries notified to the European Commission for the purposes of CPC Regulation (EU) 2017/2394. These exchanges shall support the enforcement of consumer rights by strengthening cooperation between national enforcement bodies. The exchanges may notably cover visits, coordination of enforcement or investigations, workshops on common issues including as a contribution to the work of international bodies.
- Carry out actions to support the capacity building of consumer protection enforcement authorities responsible for the enforcement of consumer law for projects such as market and legal studies, networking tools and training in eenforcement.
- Continue the EU-wide analysis of manufacturers' practices differentiating the composition and characteristics of food products whilst presenting them as identical across the EU (so-called 'dual quality' practices). Such analysis also corresponds to the legal requirement for the Commission to report, in 2024, on 'dual quality' marketing pursuant to Article 6 of Directive (EU) 2019/2161 that amended the Unfair Commercial Practices Directive 2005/29/EC.

A call for tenders for a new multiple framework contract for the organisation of "Coordinated Activities on the Safety of Products (non-food) and on market surveillance and product compliance with EU norms in the EU and EEA EFTA countries" has to be concluded.

Implementation

By EISMEA. In specific cases involving testing, comparison and use of innovative online tools the implementation may be ensured directly by DG JUST, with possible cross-subdelegation to DGs CNECT, DIGIT, JRC or other DGs on the basis of services' agreements.

3.2. Capacity building, training, knowledge sharing, awareness raising and consumer education actions

General description of the contracts envisaged

Contracts based on open calls for tender or specific contracts concluded on the basis of existing framework contracts will be used to carry out actions in:

- Capacity building of consumer organisations for projects supporting consumer policy priorities such as the promotion of sustainable consumption, the prevention of vulnerabilities, including possible action(s) to succeed the ConsumerPRO project.
- Consumer education and awareness programme, including educational tools for schools, public authorities and businesses, raising the awareness of consumer policy/law and the importance of consumer rights (including "Consumer Law

³ Directive 2001/95/EC of the European Parliament and of the Council of 3 December 2001 on general product safety (Text with EEA relevance), OJ L 11, 15.1.2002,

Ready" trainings for SMEs), and extending the project to support Ukrainian refugees.

- Preparation and implementation of innovative training tools and collaborative programmes, e.g. e-Enforcement Academy, in relation to the enforcement of consumer rights and products safety as well as to the support of the GPSR implementation).
- Supporting the effective use of the Representative Actions Collaboration Tool, by producing and translating materials helping the cooperation of relevant users (Member States' authorities, qualified entities, judges).

Implementation

By EISMEA. In specific cases entailing a close and direct link to policy development the implementation may be ensured directly by DG JUST.

3.3. Studies, analyses, evaluations, scoreboards and surveys

General description of the contracts envisaged

Contracts based on open calls for tender or specific contracts concluded on the basis of existing framework contracts or under administrative arrangements with entities such as the JRC will be used to prepare, organise, carry out, and report the results of:

- Consumer behaviour surveys and studies monitoring and analysis of consumer behaviour, actions and opinions in relation to the performance of consumer markets and respect of consumer rights, promotion of new disclosure models, promoting sustainable consumption and other policy measures to ensure consumers make informed and unbiased choices.
- Feasibility and implementation studies on new indicators of the effectiveness of consumer rights enforcement and safety (including Injuries Data collection followup and possible management and linkage with Safety Gate/RAPEX environment), including in relation to the handling of consumer complaints, in order to perform a systematic monitoring of consumer conditions, problems and capacities of enforcement bodies in the Member States.
- Studies, surveys, workshops and analyses to provide updated information and data on unfair commercial practices (including in the digital enviroment), application and enforcement of consumer law including product safety, alternative dispute resolution and possible improvements in consumer law, evaluation and monitoring of existing legislation, transposition checks and impact assessments.
- Studies, surveys and analyses, on new digital credit products which developed considerably during the COVID-19 pandemic: cost free credit such as 'buy now, pay later' schemes, crowdfunding credit services, looking at investment side, credits secured by cryptoassets. Studies to support the implementation of the General Product Safety Regulation (GPSR), the preparation of implementing/delegated acts foressen by the proposal and the organisation of stakeholder workshops.
- Studies, surveys and anlyses to support the transposition and implementation of the Directive to empower consumers for the green transition, including organisation of workshops with Member States and stakeholders, and/or indicator development to monitor progress of implementation.

- Ex-post evaluation of the Consumer Programme 2014-2020 and mid-term evaluation of the Single Market Programme 2021-2027.
- In addition open call procedures may need to be initiated for conclusion of framework contract(s) for the procurement of behavioural studies, market related studies, knowledge management services as well as analyses on consumer and market issues, including for scoreboards, knowledge database, and for evidence-based policy-making.

Implementation

As a general rule by EISMEA. In specific cases entailing a close and direct link to policy development the implementation may be ensured directly by DG JUST or implemented by DG GROW.

3.4. IT systems and information support structures

General description of the contracts envisaged

General description of the contracts envisaged Specific contracts under existing framework contracts or other procurement models for:

- IT development, update and maintenance work for the EU's Rapid Alert System for dangerous products (Safety Gate/RAPEX) and related systems, including other ITbased projects aimed at improving product safety enforcement. Revamp the Safety Gate website.
- IT development, update and maintenance work to support the work of the ECC-Net the CPC network, networks and other networks and systems to support and promote alternative dispute resolution.
- Running, hosting and maintaining of electronic databases under the e-Justice portal, including the Representative Actions Collaboration Tool ('REACT' IT) to support the functioning of representative actions, including exchange among the Member States authorities, exchange of best practices and cooperation among qualifed entities and judges, the work of entities designated to carry out representative actions, as well as the Consumer Law Database with national transpositions and case law on EU consumer law.

Implementation

DG JUST and through cross sub-delegation and co-delegation to another Directorate General, in particular DIGIT.

3.5. Events, workshops, conferences, networking activities and communication campains.

General description of the contracts envisaged

Specific contracts concluded on the basis of existing framework contracts in the fields of events and communicaton will be used to organise events with the participation of external stakeholders, such as Consumer Summits, Informal Ministerial/Presidency meetings, Annual Digital Events for Consumers, ADR assembly and promotional campaign on the ADR, FSUG assembly, European Product Safety Award, Safety Gate media event, International Product Safety Week, communication campaign on product

safety as "chapeau" theme, the Green Consumption Pledge, communication and awareness-raising campaigns on the Representative Actions Directive and the Representative Actions Collaboration Tool, Info Days and/or Info Sessions on calls for proposals for action grants or invitations to submit proposals (where appropriate).

Implementation

EISMEA or DG JUST

4. ACTIONS IMPLEMENTED IN INDIRECT MANAGEMENT

The global budgetary envelope reserved for grants under this work programme is EUR 520 000.

4.1. Support to entrusted international organisations for product safety actions

There is consensus that international cooperation on product safety is needed to withdraw unsafe products from the markets and that it is the only way forward as global challenges know no borders. Even more when it is about new technologies, international cooperation of regulators is required as those products that are cutting across jurisdictions and systems have to be safe and secured.

Thus, operating with international organisations such as the Organisation for Economic Co-operation and Development (OECD) and the United Nations Conference on Trade and Development (UNCTAD), entrusted by the Commission to work under indirect management, is fundamental.

General description

Support to OECD and UNCTAD actions on products safety, such as a study from OECD on the impact of new technologies (Virtual Reality, Artificial Intelligence and connected products) on the safety of consumers.

The OECD is the most appropriate body to rely on data from governments, the industry and civil society globally. Actions may also cover workshops on the outcome of the studies/research and next steps.

Implementation

DG JUST with the signature of contribution agreements with the OECD and UNCTAD in accordance with Article 62(1)(c)(ii) of the Financial Regulation

Indicative breakdown of of annual amounts

2023	2024
Budget	Budget
(EUR)	(EUR)
220 000	300 000