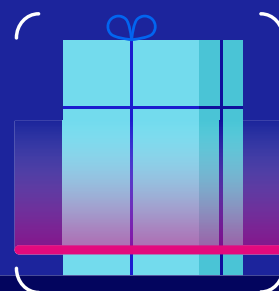
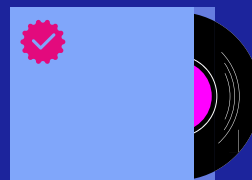




European
Commission

Sharper teeth for EU Consumer Protection



Factsheet | January 2020

Did you know?

Last year, the European Consumer Centres received **120,000 queries**, with the majority related to online shopping.



About 40% of consumers are not satisfied with how their complaints are dealt with by traders



Thanks to the updated **Consumer Protection Cooperation Regulation**, national authorities have stronger powers to detect irregularities and take speedy action against rogue traders. If the national consumer authorities work together at EU level, they save taxpayers' money.

Stronger powers for enforcers

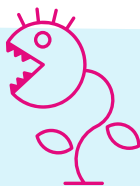
National consumer authorities can order websites or social media accounts containing scams to be corrected, obscured or removed. They can also request information from domain registrars, internet service providers and banks to track financial flows and find out the identity of those behind bad practices.



What can the authorities do when they get repeated complaints that an online shop is not capable to deliver on time and refuses to pay consumers back?

Often the responsible trader of such illegal practices is difficult to find, since they keep no permanent office or warehouse. The website is relocated to different EU countries several times. By seeking through financial flow, this trader can be found faster. In the absence of cooperation from the trader, the authority can order the website or account (e.g. in a social media platform) to be closed. In such cases, consumers should also alert their credit card issuer to get their money back.

Authorities can accept commitments from traders



What can the authorities do when they get repeated complaints on websites offering free trial periods but continuing the service as an unwanted subscription?

Subscription traps: consumers are regularly offered trial periods (e.g. in a dating website), or they are proposed to win a new expensive phone. When consumers give their credit card details to access such offers, too often they later find out that a membership cost is debited every month without them having given an informed consent. Authorities get into contact with the trader in question, ask them commitments to clarify the subscription conditions and withdrawal rights, and to stop the unwanted subscriptions.

Bigger role for the European Commission



The Commission can alert national authorities and coordinate their action to tackle practices which harm a large majority of EU consumers. This is followed by negotiation with the businesses concerned, directly at EU level. With the entry into application of the **Directive on enforcement and modernisation of**

consumer law under the New Deal for Consumers the sanction could reach at least 4% of the turnover of the businesses in the Member States concerned.

National and EU-level consumer protection actors can better signal bad practices



European Consumer Centres, consumer and trade organisations will be allowed to formally post alerts about emerging market threats and their information will become directly useable by enforcement authorities.

EU Consumer Protection in action

The CPC Network has already dealt with **several EU-wide issues** such as:

- ✓ **Booking.com** committed to make changes in the way it presents offers, discounts and prices to consumers.
- ✓ **Airbnb** improved and fully clarified the way it presents accommodation offers to consumers, for example, to provide adequate and complete price information (including all mandatory charges and fees).
- ✓ Unfair terms in social media contracts: **Facebook, Twitter** and **Google+** updated their terms of services and implemented a dedicated procedure for consumer authorities to signal problematic content.
- ✓ Unclear conditions to rent cars: The five leading car rental companies — **Avis, Europcar, Enterprise, Hertz** and **Sixt** — considerably improved the transparency of their offers and handling of damages.

✓ **Apple iTunes** and **Google Play** developed information on the existence and price of items that can be purchased as part of games.

✓ **Hundreds of websites are regularly checked (“sweeps”) across the EU on whether they comply with EU consumer law:** airlines (2007), mobile content (2008), electronic goods (2009), online tickets (2010), consumer credit (2011), digital contents (2012), travel services (2013), guarantees on electronic goods (2014), consumer rights directive (2015), comparison tools in the travel sector (2016), telecommunication and other digital services (2017), prices and discounts in online shopping (2018) and delivery conditions and withdrawal rights (2019). After the sweep, each website found with an issue has to make corrections. This brings up the level of compliance to higher level. Proceedings can be long, but in general, within one year the level of compliance becomes satisfactory (**graph below**).

Percentage of swept websites compliant with EU consumer law before and after sweeps

