



# FACTSHEET

## Enforcing consumer rights in Europe

### Why it matters to consumers?

Cooperation of national authorities is essential in a European single market where infringements are increasingly cross border and digital in nature. As many as 68% of cross border complaints received by European Consumer Centres in 2015 related to e-commerce, while 37% of e-commerce and booking websites for travel, entertainment, clothing, electronic goods and financial services did not respect basic consumer rights.<sup>1</sup> As a result, the Commission is proposing to review and update its Consumer Protection Cooperation (CPC) Regulation<sup>2</sup> which lays out rules for national authorities to cooperate with one another.

### Why cross-border public enforcement needs improving

- The current regulation was created to respond to situations where the trader and the consumer were not located in the same country in a simple cross-border case. Today however, there are more and more infringements where the trader and the consumer might be in the same country but the infringement is affecting many EU countries. It is important that all national authorities take the same action to make sure consumers in some countries are not left by the wayside.
- Quite often the authorities from different countries operate under different procedural rules regarding evidence. For instance, in one country the authority can only start investigating after there has been an actual complaint from a consumer, while in another country the mere probability of an infringement is enough to trigger action from that national authority. National authorities also currently lack some powers, such as requesting information from third persons or suspending websites. It is essential that all national authorities have the same minimum powers to be able to ensure a minimum level of protection for consumers.
- The power to order compensation for consumers exists only in some countries, like Poland or the UK, whereas other countries do not have this right. This is problematic because it leaves many consumers empty-handed.
- Consumer organisations currently have no formal role in the regulation and cannot submit alerts about an infringement to the cooperation system. All parties that are involved in a particular case should be kept up to date about the procedure in process.



A consumer organisation in country X finds several terms and conditions in mobile phone apps that break EU law. The consumer organisation then alerts the country's public authority so it can investigate and enforce the law. Because these apps are available EU-wide, it's important that the action taken by the public authority is replicated by 27 other public authorities across the EU by using the cooperation procedures of the CPC network to make sure all consumers are protected.

<sup>1</sup>See European Commission factsheet, [Adapting consumer protection to the online world](#), May 2016

<sup>2</sup>Regulation No 2006/2004 (EC) of the European Parliament and of the Council on cooperation between national authorities responsible for the enforcement of consumer protection laws (OJ L 364)



## 🗨️ The EU is taking action

The Commission has proposed changes to the CPC Regulation including:

- **EU-wide infringement** - The Commission would be able to trigger a new type of coordinated enforcement action when bad practices harm consumers in most or all EU countries (75% of Member States or more, and amounting to 75% of the EU population or more).
- **More information** - Authorities would be able to request information from companies who register website names, or from banks, to detect the identity of a trader. They would also be able to carry out mystery shopping exercises to check geographical discrimination or after-sales conditions.
- **Closing websites** - Authorities would be able to order the shutdown of websites or social media accounts that are scams.
- **Earlier detection** - Consumer and trade associations and European Consumer Centres would be able to signal bad cross border practices to enforcers and to the European Commission.
- **Redress for consumers** – National authorities would be able to order traders to pay compensation to consumers where it is due.

## 🗨️ Why it is not enough

BEUC believes that, in addition to the above, the CPC Regulation should include the following points:

- When consumer organisations or other bodies post alerts about new infringements in the CPC system, they should receive feedback about the case.
- Public and private enforcement of the law is not mutually exclusive. On the contrary public authorities and consumer organisations work well together and should be able to complement each other. Therefore consumer organisations should be consulted when national authorities are deciding what to do regarding an infringement.
- Different authorities working at national level to protect the consumer interest, such as consumer protection, data protection, or competition authorities, need to work more in unison.