



The Consumer Voice in Europe

Improving enforcement cooperation

BEUC response to the consultation on the review of Consumer Protection Cooperation (CPC) Regulation

Contact: Augusta Maciulevičiūtė - consumerredress@beuc.eu

Ref.: BEUC-X-2014-005 – 03/02/2014

Summary

BEUC is very supportive of the European Commission putting enforcement of consumer rules among its top priorities for consumer policy and seeking new ways to strengthen and improve enforcement across the EU as well as within the Member States. The review of Consumer Protection Cooperation (CPC) Regulation is an important tool in this respect. It seems that the full potential of enforcement cooperation both within Member States, and among them, has not been achieved until now.

In our response to the public consultation we suggest strengthening enforcement cooperation in the EU, especially with regard to **EU-level infringements**, where the same trader targets consumers in many Member States with the same practice. National responses to such infringements are often incoherent, so special procedures could be beneficial.

It is important that there is a **good and constructive relationship and information sharing between the consumer organisations and national enforcers**. There needs to be information exchange both concerning concrete infringements and consumer issues, but also about the general enforcement priorities.

On the other hand, approaches to enforcement and the role of consumer organisations vary quite a lot in different Member States. Not in all countries consumer organisations are involved in enforcement issues, so there's not 'one-fits-all' solution. The national enforcement dialogue should take into account the respective roles of participating public authorities and consumer organisations.

The **operation and visibility of the CPC network** should be improved:

- the alert system should be made more efficient, open for consumer organisations to submit alerts. The feedback mechanism on reaction to alerts should also be introduced.
- to effectively combat cross-border infringement, national enforcers need to have adequate resources and more investigative powers.

Even more importantly, for the system to be complete, national enforcers need to **facilitate redress for consumers**:

- Consumer harm should be taken into account in the investigation, and
- The authorities have to have powers to order compensation from the infringing party to be paid to the victims.
- If the above is not possible, CPC authorities have to facilitate access to justice for victims by making their files accessible in order to allow the victims or their representatives to have evidence about the infringement and the harm caused by it.

The fines paid to the authorities, if not re-distributed to the victims, should be made available for the work of consumer's organisations or projects which benefit consumer organisations.

BEUC response

Review of the Consumer Protection Cooperation (CPC) Regulation (2006/2004/EC)

2. Key challenges and possibilities for improvement in the enforcement of consumer rights

2.1 Could you indicate up to three areas where you consider better enforcement of consumer rights is needed as a matter of priority to bring more benefits to European consumers and to businesses selling to consumers in the Single Market? Where possible, please point to concrete examples of actual practices or to relevant legislation.

Unfair commercial practices present a perfect case for a priority action because of the proliferation of various infringements on one hand and the harmonisation of the legislation on the other. This encompasses various infringements related to misleading practices and information to consumers, hidden charges, misleading comparison websites etc. It is also evident that in case of pan-European infringements concerning unfair commercial practices national enforcement does not constitute an adequate response and there needs to be better, more coherent enforcement, allowing for the change of practices in all Member States where consumers are targeted by a certain practice.

Enforcement with regard to various practices related to online environment is also crucial. Unfair terms and conditions of the social networks or cloud computing services, privacy online and the infringements of data protection rules, IP tracking and subsequent pricing based on consumer's profile, unfair terms applied to digital purchases all constitute the areas where more should be done to enforce existing rules and protect consumers from infringements. This could be targeted not only by data protection authorities, but primary by consumer protection authorities in actions based on unfair contract terms legislation and unfair commercial practices legislation.

Enforcement in financial services area is also lacking. First and foremost, even on national level, often the authorities responsible for enforcement in financial services area do not have enough emphasis on consumer protection. Their first task being financial supervision, they might have limited staff or limited powers for consumer enforcement, or even no statutory powers at all¹. Secondly, for the moment EU legislation in financial services area is not included in the CPC annex, so the CPC cooperation rules do not apply. This further weakens the enforcement in financial services area.

¹ Please see the study 'Financial supervision in the EU: A consumer perspective' of May 2011, available on BEUC website www.beuc.eu

2.2 Could you provide up to three examples of challenges or barriers to a good enforcement of consumer rights in Europe today and in the future?

One of the big challenges to a coherent enforcement of consumer rights in the EU is the diverging national enforcement approaches and systems. This encompasses the existence and strength of enforcement authorities, their statutory powers, their independence to set their priorities, human and financial resources, the level of fines or other sanctions they can impose etc. Also in some countries the enforcement is primarily court based, while in others enforcement through court is very much a last resort and enforcers have other tools at their disposal. This results in different responses to similar or the same infringements (or no response at all) and the lack of level playing field in the Single Market and leaves consumers in 'weaker enforcement countries' on unequal standing

This is further aggravated by the cut of resources for public enforcement, resulting from the recent crisis and the governments' efforts to cut public spending. In a number of Member States enforcement authorities are being merged, their competences or priority areas of action narrowed. The reduced resources exacerbate an already significant barrier to cross border enforcement - the inherent conflict between competing priorities, where the request to investigate the case where foreign consumers were harmed has a potential to rank much lower in the priorities list than purely national infringements. In addition to that, consumer organisations in some Member States do not have the opportunity to become important enforcement players because of a lack of financial resources and others, who used to actively participate in enforcement, have to reduce their activities as their operation is also diminished or at risk.

More general challenge is that currently enforcement is limited and partitioned by national borders or even by local jurisdiction within a Member State. This does no longer correspond to the reality of the Single Market, where services and goods move across the borders and same traders target consumers across the EU or in many Member States at the same time and with the same (unfair) marketing strategies.

2.3 Do you have a suggestion to make on how to ensure that there is an equal level of enforcement throughout the Single Market? Could you provide examples of specific cases where the effectiveness of enforcement varies between EU countries?

A quite clear example of different enforcement between EU countries is the recent Apple case, where consumer organisations of 11 Member States aimed to stop misleading practices of Apple. The legal grounds of the action were EU consumer law as transposed in national legal systems of Member States, in particular of the provisions of Directive 2005/29/EC on unfair commercial practices, as well as of Directive 99/44/EC on consumer sale and Directive 93/13/EEC on unfair contract terms. Apple had been found to have breached consumer rights by the Italian competition authority by, first, not having correctly informed consumers about their statutory rights on legal guarantee and, second, by misleading consumers through

provisions of false and/or partial information in its advertising practices of Apple Care Protection Plan.

However, even though all involved consumer organisations targeted the same misleading practice, the reactions of national enforcers were not consistent in different Member States. For instance, while Italian and Spanish authorities imposed fines, Slovene authority did not find the information provided by Apple misleading. Due to different national responses, still many divergences remain in how Apple changed respective national practices. This demonstrates that separate national actions, even if based on the same base, do often not lead to the same results throughout the EU.

3. Improving the methodology for identifying infringements

Effective enforcement of consumer rights at the EU level depends on the availability of accurate and comparable information on markets and problems. Systematic screening is needed to detect emerging trends and threats to consumers in a timely manner and in order to establish common enforcement priorities. The CPC Regulation requires Member States to coordinate their market surveillance and to alert CPC competent authorities and/or the Commission on specific suspected cross-border infringements. However, no practical procedures are provided and it is necessary to define the best ways to strengthen the alerts and intelligence knowledge basis available within the CPC, possibly enlarging it to contributions coming from parties outside the CPC network

3.1 Do you consider that the current system of surveillance and alerts under the CPC Regulation is sufficient to ensure an efficient identification of infringements?

Fully sufficient
Sufficient
Insufficient
No opinion

3.2 Gathering and sharing intelligence on markets

What would be, according to you, the most important measures at EU level to support the knowledge base for enforcement prioritisation?

Please indicate your priority level for each of the following
(1 = top, highest priority, 2= medium priority, 3= low priority)

A mechanism to gather and analyse enforcement intelligence from available sources in Member States and at EU level	1
A requirement for coordinated surveillance actions by Member States	1
EU-funded surveillance actions	1
EU-funded studies on emerging consumer threats and	2

new market practices which are relevant for enforcement of consumer rights

An IT platform to share enforcement expertise (e.g. investigative techniques, legal expertise) 3

An EU complaint system directly accessible on-line to citizens 3

Other? (Please specify)

3.3 Scope of the CPC alert mechanism
The CPC Regulation currently contains an alert mechanism (Article 7) that allows designated competent authorities to circulate early warning messages between one another when they become aware of a suspected cross-border infringement. What are the main requirements for an efficient alert system according to you?

Please indicate your priority level for each of the following, from 1 to 3 (1 = top, highest priority, 2 = medium priority, 3 = low priority)

Action categorisation of alerts (e.g. with an obligation to act/for information only) 3

Possibility for the European Commission to post alerts 2

Possibility for other organisations with an interest in enforcement of consumer rights (e.g. consumer and trade associations, self-regulatory bodies, European Consumer Centres (ECC-Net), local authorities) to post alerts 1

Possibility for alerts to be made public 2

Other? (Please specify)

To make the alert system more efficient, a feedback mechanism needs to be established to see, for instance, why the alert has not been acted upon. This will make sure that the alerts are properly taken into consideration.

Also, the information contained in the alerts could be shared in discussions with consumer organisations in order to identify if similar practice exists in different countries, if there are many consumer complaints regarding the issue and deciding on the possible enforcement avenues.

3.4 Can you give best-practices, examples of effective alerts or intelligence sharing practices in your Member State which could be relevant for other Member States and contribute to enforcement in the EU?

In Portugal, there are several forms of cooperation between consumer organisations and the national authorities. Firstly, there is 'Legal enforcement cooperation' - this cooperation is made through the regulators' law, in which consumers are represented through advisory boards. These boards are composed by a set of entities that represent all the interests in the sector, including consumers. This form of collaboration allows the consumer associations, not only to monitor and enforce the activities of the regulators, ensuring that their conduct guarantees a high level of consumer protection, but also to have access to the regulator's main concerns. Otherwise this representation also allows Portuguese consumer organisations to participate in the sector's policies and strategic orientations, thus encouraging a high degree of cooperation and protection of consumer interests.

Secondly, 'Institutional collaboration' derives not from law, but from the institutional relationships that have been established all over the years with regulators and administrative authorities, and are part of consumer organization's missions. This kind of cooperation, with regular meetings, implementation of specific channels to exchange consumer complaint's data, statistics, reports on consumer policy, concerns, allow consumer organisations to contribute to a better consumer protection, given the proximity between consumers and their organizations. Given the fact that for instance Portuguese consumer organisation DECO also conducts studies and reports on different situations of consumer policy, it is, sometimes, through those studies that the public authority enforces the legislation (example of this is the recent "horsemeat" case, in which it was with DECO's report that the authority for food safety decided to promote an enquiry to some supermarkets. Another example was DECO's study on the electric meters, in which they detected that some meters had a malfunction. After DECO had denounced it to the regulator, this authority condemned the electricity company to compensate all consumers). We believe that this institutional cooperation allows, for example, a quick and effective removal of products that may affect consumer's health and also to sanction some misleading practices in a quicker way, preventing more damages for consumers.

It has to be noted that stronger cooperation between enforcers and consumer organisations is developing in a number of sectors. For instance in energy sector, according to the Status review of the Council of European Energy Regulators (of 30 October 2013), cooperation among the national energy regulators and consumer organisations is relatively close, but needs to be strengthened in certain areas, such as for instance on strategic and policy related issues.

In product safety area, the European Commission proposal for a Regulation on market surveillance of products foresees the establishment of a European Market Surveillance Forum where consumer organisations would be involved.

4. Enhancing the capacity of national authorities to perform the CPC duties

The CPC Regulation makes available to national authorities a number of concrete powers and procedures - a common toolbox - to tackle cross-border infringements of consumer legislation and to coordinate market surveillance and enforcement activities for example to check websites in

a given sector across Europe to identify malpractices.

The Regulation requires Member States to ensure that enforcement authorities have the following set of minimum powers to perform their duties under the Regulation:

access to information, on-site inspections, written requests to stop an infringement, the ability to obtain an undertaking from traders and, where appropriate, publication of the undertakings, to request to cease or to prohibit an infringement, where appropriate, publication of resulting enforcement decisions, and requests for penalty payments in case of non-respect of a decision.

To increase the credibility, strength and efficiency of enforcement actions carried out through the CPC, the toolbox provided to national enforcement authorities could be extended to some additional powers and common procedures.

4.1 Additional intervention tools for national enforcement authorities.

Indicate to what extent you would agree with the inclusion into the CPC

Regulation of ...:

- a: Fully agree
- b: Somewhat agree
- c: Somewhat disagree
- d: Fully disagree
- e: No opinion

The possibility to request the application of sanctions, regardless of whether the infringement has ceased or not	a
---	---

The power to apply more stringent sanctions due to the cross-border nature of the infringement	c
--	---

The power to require interim measures, awaiting the completion of full proceedings	a
--	---

The power to request penalty payments to recover illicitly obtained gains	a
---	---

An explicit power (under defined conditions) to name infringing traders	a
---	---

The power to carry out test purchases for investigative purposes Mystery shopping - actual purchase without revealing the authority's identity	b
---	---

Other? (Please specify)

4.2 Making it easier for consumers to claim compensation following an enforcement decision taken within the CPC.

CPC decisions, for example calling on a trader to change their terms and conditions that infringe consumer protection legislation, are made with the collective interest of consumers in mind. As CPC decisions do not address individual cases, they may not be known or available in a format useable to consumers seeking redress for the harm they have suffered from such infringements.

How necessary do you think it is to include elements into the CPC Regulation in order to make CPC decisions more user-friendly to consumers to assist them claim compensation for the harm caused by infringements dealt with in the CPC?

Very necessary

Necessary

Not so necessary

Not necessary

No opinion

It is crucial to make it easier for consumers to claim compensation following an enforcement decision, and the public enforcers are perfectly placed to facilitate this task. The authorities should put a greater emphasis on the need to support consumer redress. This could either be (i) through actually seeking consumer redress; or (ii) making sure they do whatever they can to facilitate consumer redress by consumers/other representatives, especially through collecting of redress-related information in their investigations, and through greater transparency about detected infringements.

Not only should decisions of enforcement authorities on infringements have to be made available for consumers or their representatives in order to make them aware of the infringement and the fact that they might be entitled to the compensation. Public authorities have to do more than this. Redress opportunities often are scarce and difficult to pursue for individual consumers, especially in legal systems where the legal advice and representation is very costly or court cases take a long time.

Therefore CPC authorities have to facilitate redress and compensation for the consumers that were harmed by the infringements:

- Consumer harm should be taken into account in the investigation, and
- the authorities have to have powers to order compensation from the infringing party to be paid to the victims, if they are known.
- If the above is not possible, CPC authorities have to facilitate access to justice for victims by making their files accessible in order to allow the victims or their representatives to have evidence about the infringement and the harm caused by it.
- The fines paid to the authorities, if not re-distributed to the victims, should be made available for the work of consumer organisations or projects which benefit consumer organisations, as it happens already in certain Member States (e.g. Italy or Portugal).

Last but not the least, the decisions of the authorities should be available for the victims to use in courts, also in cross border context.

4.3 Common standards to handle infringements within the CPC Regulation.

When responding to a mutual assistance request from a partner authority in another country, an enforcement authority has to follow its national procedural rules. Differences in these rules between the two countries may be a barrier to smooth cooperation. For example the quality of evidence required to establish an infringement may diverge and the information transmitted by the partner country be insufficient for a legal action. To overcome this procedural fragmentation, common standards or criteria could be introduced in the CPC Regulation.

4.3 (a) Would you consider it useful to introduce common standards or criteria in the CPC Regulation, to overcome procedural differences between EU countries?

Yes

No

No opinion

If this has been identified as a barrier for a smooth cooperation and the timely reaction to cross-border infringements, then this issue has to be addressed. However, it is important that the common standards to be defined in the CPC are not mediocre and the inspiration is taken from best practices and the highest standards that exist around the EU. Our answers to the questions 4.3 (b) and 4.3 (c) are provided with the provision that the common standards envisaged indeed will not result in bringing down the level of public enforcement in Member States. It is essential that such common standards do not preclude higher national standards and thus only provide for a minimum standardisation.

4.3 (b) In which circumstances would the introduction of common procedural standards be the most useful?

Please indicate the priority level that you attach to each of the following from 1 to 3 (1=high priority, 2=medium priority, 3=low priority)

For all cases

1

For cases covering at least three countries

For cases representing a consumer detriment over a certain threshold (e.g. estimated amount)

For cases requiring urgent interim measures, awaiting the completion of proceedings initiated in conformity with national laws

For recurrent cases of limited legal complexity, according to defined criteria

None of the above

4.3 (c) In which areas would the introduction of common procedural standards be most useful?

Please indicate for each of the following your priority level, from 1 to 3 (1= high priority, 2 = medium priority, 3= low priority)

Collection of evidence	2
On-site inspections	2
Access to documents	1
Investigation of websites	2
Test purchases Mystery shopping - the ability to make purchases without revealing the authority's identity	2
Acceptance of the results of a partner authority's investigation	1
Establishment of an undertaking by an infringing trader	2
Publication of enforcement decisions, including naming of infringing parties	1
None of the above	
Other? (Please specify) (maximum 2000 characters)	

4.4 Can you give best-practice examples relating to the enforcement powers and procedures available in your country which could be relevant for other Member States and contribute to a more effective enforcement across the EU? (maximum 4000 characters)

The draft Consumer Rights Bill in the UK includes the ability for enforcers to seek additional remedies when taking action under the Injunctions Directive. This includes obtaining redress for affected consumers. Further details can be found here [at p 47: https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/206373/bis-13-916-draft-consumer-rights-bill-governemnt-response-to-consultations-on-consumer-rights.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/206373/bis-13-916-draft-consumer-rights-bill-governemnt-response-to-consultations-on-consumer-rights.pdf)

5. Tackling widespread infringements in the Single Market

One of the purposes of the Single Market is to offer economies of scale to market players in facilitating the easy establishment of operations across the EU and in allowing consumers a wider choice of products and services. The consequence of the opening of markets is that possible

infringements to consumer rights may also be spread easily and fast in many countries at the same time.

For example, consumers in several countries may be harmed by the same misleading advertising campaign carried out by a large retailer through its on-line shops or its establishments in these countries. They can also be harmed, by traders which apply unfair contract terms across the internal market as an "usual practice" of a given industry. Such widespread infringements affecting several Member States at the same time and/or made by transnational traders across the EU market transcend the national dimension and are referred to as infringements of "EU-level relevance". The following questions examine whether and how specific or enhanced EU-level coordination mechanism would be needed for these types of infringements so as to achieve a cost-effective approach, for example by pooling resources of Member States and avoiding lengthy and costly parallel procedures.

5.1 How significant are EU-level relevant infringements according to you?

Based on your experience of infringements of consumer laws occurring in the Single Market, would you say that those affecting several Member States at the same time and/or made by transnational traders are ...

Very significant

Significant

Not so significant

Insignificant

No opinion

5.2 According to you, how important is it to provide for a specific enforcement cooperation procedure to handle EU-level relevant infringements?

Very important

Important

No so important

Unimportant

No opinion

To target EU-level practices with national actions does not lead to the best result, as the outcomes can be disparate depending on the strength of national enforcement. So specific enforcement procedures, especially in the areas that are harmonised throughout the EU, could be most useful to handle EU-level infringements. This might also be beneficial from the perspective of an economic analysis, as currently every Member States would have to repeat procedures and decisions which might concern the same business practices already dealt with in another Member State. In this context, a so-called "erga omnes" effect of such a decision would be an interesting element for discussion.

However, we would also like to draw the attention to the differences of the interpretation of the substantial law provisions that might sometimes hinder common actions. For instance, in air transport area, there might be different national interpretations on what contract terms are regarded as unfair. The Commission has proposed to address this via the joint enforcement positions, to be agreed by the CPC network members. While this is an innovative approach, we would ask for more explanation and more room for discussion to identify the possible advantages and threats of this approach before it becomes a new tool.

In general, we would advocate for shifting enforcement perspectives from cross-border infringements to genuine enforcement without borders. If the Single Market is to be achieved, modalities have to be found how to effectively tackle EU-level infringements and to guarantee that the result is coherent throughout all the Member States.

5.3 What are the main benefits of carrying out joint enforcement actions in relation to EU-level relevant infringements?

For each of the following please indicate the benefit level you would expect, from 1 to 3 (1 = top, highest benefits, 2 = medium benefits, 3= low benefits)

Sharing of expertise in investigation and legal analysis	1
Cost efficiency gains in handling the infringements	2
More effective enforcement actions to stop infringements	1
Higher and more consistent compliance with consumer legislation across the EU	1
More transparency and predictability of enforcement action in the EU	2
Boost consumer confidence when shopping in the Single Market	1
Other? (Please specify) (maximum 2000 characters)	

5.4 Which of the following approaches would be the most effective to stop or to deter EU-level relevant infringements?

- a: Very effective
- b: Highly effective
- c: Not so effective
- d: Not effective
- e: No opinion

An obligation for Member States to notify cases corresponding to defined criteria for EU-level relevance so as to trigger a joint enforcement action	b
--	---

Following sufficient evidence on a case of EU-level relevance, brought by the Commission, an obligation for the concerned Member States to conduct a joint enforcement action

a

An obligation for Member States to alert other enforcement authorities on an enforcement action when it is suspected that similar practices by the same company or its branches are done in other markets, so as to trigger a joint enforcement action

c

A single EU level procedure, where the Commission or any Member State can bring the evidence of an EU-level infringement

a

A mechanism of mutual recognition of enforcement decisions

c

Other? (Please specify)
Please specify: (maximum 2000 characters)

If a single EU level procedure is to be set, it is important that it is not only the Commission or any Member State that can bring the evidence of an EU-level infringement, but also any qualified European organisation. In parallel with national organisations having standing to bring national injunctions or enforcement cases, there should be room for European organisations in the new European procedure.

<p>5.5 How far should the Commission be directly involved in tackling EU-level relevant infringements?</p>

For the following successive steps, state the ones in which the Commission should play a leadership role

Yes to all the powers below
No
No opinion

Define evidence based priority sectors where consumer conditions are the poorest

Carry out preparatory prima facie investigations (e.g based on website studies, complaint data)

Carry out case investigations
(including the power to do on-site
investigations, request information
from traders) on the basis of
complaints

Determine the existence and
nature of an infringement

Request trader(s) to cease an
infringement

Establish an undertaking with the
trader(s) and ensure follow-up
monitoring

Request Member States to
enforce and/or impose a sanction
in case of non-compliance with the
undertaking

Other? (please specify)

We are very interested in the discussion about a specific European enforcement procedure and the benefits it could bring. However, for the moment our members feel they do not have enough information to answer the question about the powers to be given to the Commission. For example, it is not yet clear what kind of infringements would be tackled by the Commission with those new powers and how the whole system will look like. A careful analysis and a separate, more profound, consultation should be done about the nature and impact of such a procedure, so as not to threaten successful national systems.

5.6 What role can other organisations (consumer and/or business representative or other organisations) play to deter or tackle EU-level relevant infringements?

Please indicate which organisation(s), how and at what stages of the process their involvement is most important:

(maximum 4000 characters)

Consumer organisations are very well placed to identify various breaches, as consumers turn to them with the complaints. In addition, many consumer organisations cooperate among themselves and share information, thus enabling to discover breaches that are similar in many countries. It is important however that there is a good and constructive relationship and information sharing between the consumer organisations and national enforcers, which would enable rapid exchange of information. Such cooperation exists in a number of Member States (e.g., the Netherlands, Denmark), but not everywhere. We believe it is both at this national level, and also at the European one that the real structured dialogue on enforcement between public enforcers and consumer organisations has to be set up, and we have sent a letter to Consumer Commissioner Neven Mimica to underline our views (the letter can be found on www.beuc.eu ref. X/2013/084). There needs to be

information exchange between consumer organisations and the public enforcers both concerning concrete infringements and consumer issues, but also about the general enforcement priorities.

For instance, the representative(s) of consumer organisations could be involved in the work of the working group on CPC priorities.

Additionally, in order to build trust and mutual understanding, common enforcement actions (with the participation of consumer organisations and the enforcers) could be envisaged each year – either nationally or on European level.

On the other hand, we want to underline that approaches to enforcement and the role of consumer organisations vary quite a lot in different Member States. Not in all countries consumer organisations are involved in enforcement issues, so there's not 'one-fits-all' solution. The national enforcement dialogue should take into account the respective roles of participating public authorities and consumer organisations.

Additionally, as mentioned under point 5.4, there should be room for European organisations in the new European procedure.

5.7 Do you have any further comments or suggestions on the issue of EU-level relevant cases and ways to tackle them?

6. Final remarks

6.1 What else would you suggest that the European Commission should do or propose to improve overall enforcement of consumer rights and, in particular, the coordination of national enforcement efforts within the EU?

In order to improve the overall enforcement of consumer rights in the EU, the European Commission should also aim to establish more efficient forms of cooperation with the authorities of the US or other countries where the traders, tackling EU consumers, are often established. For instance, occasion could be seized to include the modalities of closer enforcement cooperation in the TTIP agreement.

If there are successful enforcement agreements with third countries in specific sectors (toy safety?), there should be more visibility about them.

Additionally, national authorities should have enough powers to deal with infringements when the trader is established outside the EU.

The visibility of the CPC-network should be improved by more transparent reporting on its actions and cases (for instance, by having a public annual report with aggregate data on infringements tackled, Member States involved, enforcement actions etc).

In financial services area, weak enforcement of consumer rules (see our answer to 2.1) has to be remedied either improving the functioning of European Supervision Authorities in financial services area, or creating a similar mechanism like CPC for cooperation in financial services enforcement area.

On a more technical level, the annex of the CPC Regulation should be updated and expanded with the newest EU legislation that is relevant for consumer enforcement:

- Directive 2013/11/EU on alternative dispute resolution for consumer disputes;
- Regulation 1008/2008/EU on common rules for the operation of the air services;
- Regulation 1107/2006/EU on the rights of disabled persons and persons with reduced mobility when travelling by air;

In addition to this, mutual assistance obligations should be carried out not only with respect to the EU legislation in the Annex, but whenever consumer's right is based on the EU legislation.

END