



# The New Deal for Consumers

## *How can Public Authorities boost consumer protection?*

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When illegal commercial practices affect consumers in many EU countries, national authorities need to join forces to tackle them efficiently and swiftly. This is why the Commission created the Consumer Protection Cooperation network. The network of national authorities works to ensure consumer rights are enforced on the ground. For example, it has improved conditions for consumers renting cars and using social media.

The Commission and the national authorities are currently upgrading this network to address new digital age challenges. For example, the authorities will be able to ensure websites or online accounts scamming consumers are closed down faster.

As part of the New Deal for Consumers, the Commission will take this cooperation to the next level through the following actions:



### More effective penalties especially for widespread infringements

Several cases recently showed that EU consumer authorities are not well equipped to tackle 'mass harm situations' that affect large numbers of consumers across the EU. Today, when a company breaks consumer rules, the penalties vary widely across the EU and are often quite small. As a result, they do little to discourage unscrupulous traders from cheating.

- Under the New Deal for Consumers, national authorities will have the power to impose effective, proportionate and dissuasive penalties in a coordinated manner.
- For widespread infringements that affect consumers in several EU Member States, national authorities will have the power to impose a fine **up to 4 % of the trader's turnover**. This fine is the minimum standard; Member States are free to allow for higher maximum fines.



## Better coordinated enforcement actions

The Commission is already working closely with national Consumer Protection authorities to enforce EU consumer law.

The network of authorities has already dealt with several EU wide issues such as:

- **The marketing of online games as free when in fact in app purchases were offered.** Apple iTunes and Google Play stopped this practice and developed information on the main items that can be purchased as part of the games.
- **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. Most recently, Leaseurope, the European trade association, updated its rental guidelines.
- **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.

The Commission will step up this work with the national authorities on strategic and targeted enforcement to promote fairness in the digital single market. The Commission's experience with enforcement since 2014 shows it is possible to achieve positive results for consumers and businesses alike (for example 'one-stop-shop' solutions for EU-wide infringements of EU legislation).

The focus will remain on tackling unfair practices (e.g. against misleading and unfounded environmental claims) and illegal content online.



## Strengthened international cooperation

Everywhere, authorities face similar unfair business practices and marketing strategies or product safety issues related to the development of online trade from non-EU countries. Tackling these issues together with authorities from non-EU countries increases the overall pressure on companies and platforms to ensure they comply with applicable consumer protection laws when they trade cross border.

The Commission will seek to further develop EU level cooperation with key trading partners.



## Helping Member States prepare

As Part of the New Deal for Consumers, the Commission will organise expert workshops with authorities and regulators from all economic sectors. The 'E-enforcement Academy' project mobilises EUR 1.75 million for the national consumer protection authorities and the national consumer-product safety authorities. New market intelligence sources and analytical methods will be activated and training on investigative methods adapted to digital markets provided. The Commission will raise consumers' and trader organisations' awareness on the possibilities to alert authorities on EU wide problems.

### For more information

- [The new CPC regulation](#)
- [Factsheet on the new CPC regulation](#)
- [Action on InApp purchases](#)
- [Action on social media terms of service](#)
- [Action on car rental conditions](#)