



Commission works with European consumer authorities to better enforce consumer rights in the car rental sector

Brussels, 13 July 2015

Today, five major car rental companies have agreed to significantly review how they deal with consumers thanks to a joint action from the European Commission and national enforcement authorities. Citizens will benefit from more clarity on insurance policies and tank refuelling options, more fairness when handling damages, and more price transparency. Complaints related to car rentals received by the European Consumer Centres have increased sharply in the last two years.

Věra Jourová, EU Commissioner for Justice, Consumers and Gender Equality welcomed today's agreement: *"Booking a car online, renting it in one country and returning it in another is very simple today. Unfortunately, car rental terms and conditions are sometimes too vague or lack clarity. Consumers are too often left with unplanned extra costs. Five major car rental companies have now pledged to improve their information policies and make their terms and conditions fairer for consumers. I welcome their commitment and the excellent work done by the national consumer authorities in ensuring a better deal for European consumers."*

The companies have pledged to better align current car rental practices to the requirements of consumer legislation, set out by EU rules on [consumer rights](#), [unfair commercial practices](#) and [unfair terms](#)).

Some of the main improvements pledged include:

- **Improved transparency when booking online:**

- Clearer information about all mandatory charges and optional extras;
- Clearer information about key rental terms and requirements, including deposits charged on the consumer's card;

- **Better information at the booking stage about optional waiver and insurance products**, including their prices, exclusions and applicable excesses.

- Improved and **more transparent fuel policies**

- Clearer and fairer **vehicle inspection processes**

- **Improved practices for taking additional charges from customers:** consumers are given a reasonable opportunity to challenge any damage before any payment is taken.

An example from the car rental market: A consumer rented a car and paid €600 as deposit. During the rental someone scratched the car causing some minor damage estimated at less than €100. When the consumer brought the car back he was charged the total amount of the deposit, the rental agent explained this was foreseen by the contract's terms and conditions.

The proposals are gradually being implemented by the companies and most of them should be completed by the end of 2015. According to the consumer authorities some outstanding issues will need to be further monitored in particular regarding:

- Consumers' liability for car damages made by other people;
- Practices of brokers and intermediaries;
- The language in which terms and conditions should be presented for car bookings in another Member State.
- The insurance coverage offered in car rental packages.

Background

The decision to act was taken following a steady increase of consumer complaints on car rental services booked in another country - from about **1,050 cases in 2012** to more than **1,750 in 2014** - as reported by [European Consumer Centres](#). A dialogue was set up between national [Consumer Protection Cooperation \(CPC\) authorities](#), led by the UK [Competition and Markets Authority \(CMA\)](#), and

the top five car rental companies operating in the EU: Avis-Budget, Enterprise, Europcar, Hertz and Sixt. The EU trade association Leaseurope, which helped set up the action from the industry side, also agreed to further develop their practical guidelines for the whole car rental business sector.

A similar action was carried out regarding the misleading marketing of online games when they contain in-app offers (see [IP/14/847](#)) and to improve Consumer Rights compliance on travel websites ([IP/14/436](#)).

Improving consumer information and confidence in the car rental sector could contribute to an annual growth rate of 3 to 4% of the tourism sector over the next two years in Europe (see [external study](#)). In 2013, there were over 21 million individual rental contracts in the EU. The five companies, part of the dialogue, would represent more than 65% of these rentals according to the trade association, Leaseurope.

The five companies submitted final proposals for action, which were then assessed by the national authorities. Today, the European Commission and national authorities have announced their assessment on these proposals for action.

For more information

[Press release](#) and report from UK [Competition and Markets Authority](#) (CMA)

EU Consumer policy - [enforcement](#)

[European Consumer Centre annual report](#)

IP/15/5334

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