



New Deal for Consumers – Better enforcement and modernisation ('Omnibus') directive

**"Consumer & Marketing Law"
Unit JUST E2
DG Justice and Consumers
European Commission**

New Deal for Consumers legislative proposals of 11 April 2018:

'Omnibus' proposal on
better enforcement
and **modernisation**
amending 4 Directives

Proposal on
representative actions
for the protection of
collective interests of
consumers

Main **objectives** of the New Deal:

- Improve the **public and private enforcement** of EU consumer protection rules
- **Modernise** EU consumer rules in light of market developments

'Omnibus' draft Directive – process



Better enforcement

Penalties

- Penalties reinforced in UCPD, CRD and PID; new penalties for UCTD infringements
- Maximum fines for 'widespread infringements' of UCPD, CRD and UCTD subject to coordinated enforcement under CPC Regulation – not less than 4% of trader's annual turnover, or at least EUR 2 Mil. when turnover not available
- Specific derogation possibilities for UCTD and UCPD penalties

Remedies

- For victims of unfair commercial practices, in particular price reduction, contract termination, compensation for damages

Modernisation rules - overview

Transparency for contracts concluded on online marketplaces

Transparency of search results – ranking criteria and disclosure of sponsorship

Transparency and reliability of consumer reviews

Information about automated price personalisation

Extension of consumer protection to cover also 'free' online services

Prohibition of abusive ticket resale

Transparency of search results

Information on ranking criteria
(UCPD and CRD)

Prohibition of hidden advertising
and hidden paid placements
(UCPD 'blacklist')

Online marketplaces: pre-contractual information (CRD)

Is the supplier a trader or not (self-declaration of the supplier)

When the supplier is not a trader, EU consumer law does not apply

Information about how responsibility for the contract is shared between the supplier and marketplace

Minimum Harmonisation - Member States can enact further information requirements for online marketplaces

Online consumer reviews

Information requirement (UCPD)

Prohibition of submitting false consumer reviews (UCPD 'blacklist')

Prohibition of misrepresenting reviews as actual consumer reviews (UCPD 'blacklist')

Other modernisation measures

Obligation to inform the consumer of personalised pricing (CRD)

CRD extended to 'Free' online services

Prohibition of resale of tickets acquired using "bots" (UCPD 'blacklist')

Other new provisions

Dual quality of products - misleading practice (case-by-case assessment, Article 6 UCPD)

Derogation from full harmonisation in unsolicited doorstep selling and commercial excursions (UCPD and CRD)

Price reduction claims (PID) - Indication of the lowest price in the past month

Extension of the obligation to provide "basic rate" telephone line for post-contractual issues to the passenger transport sector (CRD)

Resources

Website on the New Deal for Consumers (original proposal):

ec.europa.eu/info/law/law-topic/consumers/review-eu-consumer-law-new-deal-consumers_en

EP Legislative Observatory:

[https://oeil.secure.europarl.europa.eu/oeil/popups/ficheprocedure.do?reference=2018/0090\(COD\)&l=en](https://oeil.secure.europarl.europa.eu/oeil/popups/ficheprocedure.do?reference=2018/0090(COD)&l=en)



Questions?

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