## <u>Directive on better enforcement and modernisation of EU consumer</u> protection rules

The new rules will bring tangible benefits for EU consumers, notably by introducing effective penalties for violations of EU consumer laws, strengthening consumer rights and transparency online, as well as tackling dual quality of consumer goods,

One of the main benefits for consumers under the new rules is the introduction of more effective penalties for violations of EU consumer laws. For infringements that affect consumers in several Member States and are subject to EU coordinated enforcement, the available maximum fine in each Member State will be not less than 4% of the trader's annual turnover. Consumers rights online will also be strengthened as the adopted measures ensure that, when buying from an online marketplace, consumers will have to be informed about whether they are buying from a trader or not, whether personalised pricing was used and about the means of ensuring the authenticity of consumer reviews. When searching online, consumers will be clearly informed about the main parameters determining the ranking of search results and whether they derive from paid placements.

Already at the stage of the IMCO Committee report, the topic of <u>dual quality</u> of products, i.e. goods marketed as identical in different Member States, but having significantly different composition or characteristics, was a very contentious issue. IMCO followed in the footsteps of its own-initiative report on dual quality adopted in 2018 (rapporteur: Ms Olga Sehnalová, S&D) and tackled the issue by introducing a new item into the Annex of the Unfair Commercial Practices Directive (UCPD), automatically prohibiting specific misleading commercial practices. The co-legislators however agreed in the course of the inter-institutional negotiations to leave it to national authorities to assess, on a case-by-case basis under the updated UCPD, whether a specific practice qualifies as a prohibited misleading practice. The directive also includes a review clause requiring the Commission to assess the situation related to dual quality within two years of its adoption.