CONSUMER PROTECTION MEASURES

European measures for consumer protection are intended to protect the health, safety, and economic and legal interests of European consumers, wherever they live, travel or shop in the EU. EU provisions regulate both physical transactions and e-commerce, and contain rules of general applicability together with provisions targeting specific products, including medicines, genetically modified organisms, tobacco products, cosmetics, toys and explosives.

LEGAL BASIS

Articles 114 and 169 of the Treaty on the Functioning of the European Union (TFEU).

OBJECTIVES

To ensure that all consumers in the Union - wherever they live, travel or shop in the EU - enjoy a high common level of protection against risks and threats to their safety and economic interests, and to increase the ability of consumers to defend their own interests.

ACHIEVEMENTS

A. Protection of consumers’ health and safety
   1. EU actions in the field of public health and tobacco (2.2.4)
   2. Foodstuffs (2.2.6)
   3. Medicinal products (2.2.5)
   4. General Product Safety System and market surveillance

Directive 2001/95/EC sets out safety standards for consumer products. If a product poses a major risk, it must be reported via RAPEX, a system for the rapid exchange of information between Member States and the Commission. This directive will be replaced by a new General Product Safety Regulation on 13 December 2024, which focuses on comprehensive risk management, enhanced traceability, stricter surveillance, specific responsibilities for businesses and online marketplaces, mandatory accident reporting, and structured recall procedures with consumer remedies.
5. Safety of cosmetic products, explosives for civilian use and toys


6. Affordable communications for businesses and consumers (2.1.8)

B. Protection of consumers’ economic interests

1. Information society services, electronic commerce and electronic and cross-border payments

The E-commerce Directive (2000/31/EC) regulates online service providers in the EU, including various online activities. It was updated by the Digital Services Act, which was adopted on 19 October 2022. Other acts, such as Directive (EU) 2015/2366 and Regulation (EU) 2021/1230, ensure equal charges for cross-border euro payments between Member States.

2. TV without frontiers

Directive 2010/13/EU provides for free movement with regard to broadcasting, safeguarding public interests such as cultural diversity and the protection of minors. It governs advertisements for alcohol, tobacco and medicines, as well as teleshopping and explicit content. Events of major importance for society must be broadcast free of charge, regardless of exclusive rights bought by subscription TV channels.

3. Distance selling contracts and contracts negotiated away from business premises, the sale of goods and guarantees, and unfair terms in contracts

From 13 June 2014, the Consumer Rights Directive (2011/83/EU) replaced and amended older directives. It enhances consumer rights by setting rules on information provision, withdrawal rights and contractual provisions. Directive (EU) 2023/2673 on the distance marketing of consumer financial services includes specific provisions on pre-contractual information and the right of withdrawal regarding the conclusion of financial services contracts. It introduces new measures such as the ‘withdrawal button’ and measures against dark patterns. Protection against unfair terms in contracts concluded between a seller/supplier and consumer is granted by Council Directive 93/13/EEC.

4. Unfair commercial practices and comparative and misleading advertising

Directive 2005/29/EC addresses unfair business-to-consumer practices, including misleading activities and coercion. Directive 2006/114/EC regulates misleading and comparative advertising. Reviews were proposed to address gaps, leading to Directive (EU) 2019/2161, which modernised and enhanced consumer protection rules.
5. Liability for defective products and price indication

Directive 1999/34/EC holds producers responsible for damage caused by defective products, with consumers having to prove damage, defect and causation within three years. Directive 98/6/EC mandates showing sale and unit prices to facilitate product comparisons. Directive 1999/44/EC ensures product guarantees, with traders having to address defects appearing within two years of delivery. This was updated in 2011 and later replaced by Directive (EU) 2019/771.

6. Consumer credit and mortgage credit

Directive 2008/48/EC standardises consumer credit information and allows consumers a 14-day withdrawal period and early credit repayment options. The Consumer Credit Directive will be repealed as of November 2026 by Directive (EU) 2023/2225. This directive will expand its scope, streamline advertising information, refine pre-contractual presentation, improve creditworthiness assessment rules, and promote financial education and debt advice accessibility in the Member States. Directive 2014/17/EU provides guidelines for consumer credit agreements tied to residential property. Its goal is to create a unified mortgage market benefiting consumers and mandates high professional standards from lenders and credit intermediaries[1].

7. Package holidays, timeshare properties and short-term accommodation rental services

Directive (EU) 2015/2302 (Package Travel Directive) protects consumers when booking package holidays or combined travel. It provides important rights for consumers who book package holidays, including the right to a refund or the right to receive assistance in case of the insolvency of the tour operator. With the outbreak of COVID-19, these rights became particularly relevant and the Commission issued interpretative guidelines on the application of the directive. Furthermore, the Commission reassessed the directive and, in November 2023, it proposed its revision in order to make the protection of travellers more effective and to simplify and clarify certain aspects. Directive 2008/122/EC focuses on timeshares, providing for clear contract information and a 14-day withdrawal period.

8. Transport


9. Internal energy markets

The Fourth Energy Package, adopted in 2019, introduced new electricity market rules on renewable energy and investments, incentives for consumers and limits for

subsidies to power plants, such as capacity mechanisms. Directive (EU) 2019/944 on common rules for the internal market for electricity provides for several measures on consumer protection, including the free determination of electricity supply prices, market-based price competition between suppliers, protection of energy-poor and vulnerable household customers, and entitlement for final customers to electricity. Consumers can also request the installation of smart electricity meters at no extra cost. Households and microenterprises have access, free of charge, to at least one tool comparing the offers of suppliers, including for dynamic price contracts. They can switch suppliers free of charge within a maximum of three weeks and participate in collective switching schemes.

10. European Consumer Centres Network (ECC Network or ‘Euroguichets’) and Your Europe Portal

The ECC Network assists consumers with cross-border transactions and collaborates with European networks such as FIN-NET (financial), SOLVIT (internal market) and the European judicial network. The Your Europe portal offers detailed consumer information on various topics. Improvements were made with the introduction of the Single Digital Gateway (Regulation (EU) 2018/1724).

C. Protection of consumers’ legal interests

1. Alternative dispute resolution procedures and online dispute resolution

Alternative dispute resolution (ADR) mechanisms offer out-of-court solutions for consumers and traders to resolve conflicts through third parties such as mediators. Various EU directives and resolutions set principles for ADR, offer cheaper and quicker remedies for consumers, introduce options for obtaining injunctions against cross-border commercial infringements, and provide avenues for both online and offline dispute resolutions. Regulation (EU) No 524/2013 established an EU-wide online dispute resolution platform, accessible since February 2016. In October 2023, the Commission proposed amending the ADR Directive (2013/11/EU) with the aim of expanding its scope of application, strengthening the remit of the ADR entities established in the Member States, facilitating cross-border ADR procedures and improving consumer awareness.

2. European judicial network in civil and commercial matters and obligation for national authorities to cooperate

Decision 2001/470/EC created a European judicial network to assist citizens in cross-border litigation, enhance judicial cooperation and provide practical information. Regulation (EU) 2017/2394 lays down a cooperation framework for national authorities responsible for the enforcement of consumer protection laws. It sets up a European enforcement network to jointly address breaches of consumer rules when the trader and the consumer are established in different countries.

3. Representative actions for the protection of the collective interests of consumers

Directive 2014/104/EU allows those harmed by competition law violations to claim compensation. Directive (EU) 2020/1828 (Representative Actions Directive) aims to ensure that consumers are able to protect their collective interests in the EU via representative actions, i.e. the legal actions brought by representative entities. It
broadens the previous injunction system to cover more EU instruments for collective consumer interests and sets compensatory redress methods.

D. Measures implemented following the COVID-19 outbreak

During the pandemic, due to a rise in online irregularities, the Commission and consumer protection authorities in the Member States issued a Consumer Protection Cooperation common position, urging online platforms to address illegal marketing. They also emphasised the importance of combating disinformation through a joint communication. Amid border controls and travel restrictions, the Commission, on 18 March 2020, provided guidelines ensuring the consistent application of EU consumers’ rights.

ROLE OF THE EUROPEAN PARLIAMENT

Parliament is working to enhance EU consumer protection laws, ensuring a balance between market and consumer interests. This effort is guided by the New Consumer Agenda 2020-2025, the New Deal for Consumers, the European Green Deal and the Circular Economy Action Plan. European consumers benefit from measures strengthening the EU internal market, in particular from the digital single market initiative. This includes regulations on roaming charges, internet connectivity, the portability of online content, cross-border parcel delivery, general data protection and geo-blocking, the Directive establishing the European Electronic Communications Code and the free flow of non-personal data, and the Directive on Copyright in the Digital Single Market[2].

In a November 2020 resolution, Parliament advocated an update to the General Product Safety Directive (GPSD) to ensure that market surveillance rules are relevant for both offline and online products and to address challenges posed by emerging technologies such as artificial intelligence and robotics. A 2022 study for the Committee on the Internal Market and Consumer Protection (IMCO) highlighted the need for a revised GPSD to account for these new technologies. Additionally, Parliament has discussed consumer protection in the digital age, emphasising robust measures for online marketplaces through the Digital Services Act, as highlighted in an E-commerce workshop in February 2020, as well as by a number of studies[3]. Experts and stakeholders have insisted on the need to put in place strong consumer protection measures for online marketplaces via the Digital Services Act.

Recent research has delved into various aspects of consumer protection. A study[4] from October 2020 discussed ‘loot boxes’ in video games and their potential to act as gateways to gambling, especially among young people. The IMCO Committee adopted

a draft implementation report in December 2022 on consumer protection in online video games.

In January 2021, a briefing[5] entitled ‘Reimbursement and compensation in case of transport cancellation or delay: rights and their enforcement’ detailed consumer rights under EU law for transport cancellations, specifically referencing the COVID-19 pandemic. Another study[6] examined targeted advertising’s impact on consumer choice, noting the benefits of personalised advertisements but raising concerns about transparency, the targeting of vulnerable consumers, and ‘dark patterns’ that may manipulate consumer decisions. The IMCO Committee held a public hearing in March 2022 to address the risks of dark patterns for consumers.

On 28 October 2021, the IMCO Committee held a public hearing on dual quality of goods in the single market. Experts from consumer associations and business organisations highlighted the challenges that dual quality practices have created, both for consumers and the industry, for example in terms of consumer information about the differentiation of goods. They also discussed how to raise consumer awareness on the issue.

In February 2022, Parliament adopted a resolution on the implementation of the Toy Safety Directive, calling for its revision so as to ensure that only safe toys are sold on the Union’s market.

Concerning unfair practices, in April 2022 the IMCO Committee held a public hearing on upholding consumer rights when shopping outside the EU, seeking to map out the challenges consumers face when buying goods from outside the EU.

In February 2022, a study[7] examined the impact of influencers on advertising and consumer protection, highlighting concerns about misleading content and the promotion of unsafe products in the rapidly growing influencer marketing industry. The Digital Services Act and Digital Markets Act aim to enhance transparency and regulate online platform gatekeepers, which are crucial in influencer activities. Another 2022 study[8] in September analysed overdraft facilities in the EU, revealing significant interest rate variations among Member States. The authors advocated stricter, more equitable regulations, especially where interest rates are highest.

In November 2022, a study was published examining the increasingly prevalent practice of personalised pricing, where prices are tailored to individual consumers based on data analysis and often without their full awareness. This strategy may maximise profits for sellers by exploiting consumers’ willingness to pay. This raises ethical concerns and potential consumer backlash due to perceived unfairness and

the impact on price transparency and comparison. Currently, personalised pricing is permitted under EU law except where it violates anti-discrimination laws. New EU directives, such as Article 6(1)(ea) of the Consumer Rights Directive, require some disclosure of personalised pricing practices, but these are seen as insufficient. Given consumer opposition to this kind of pricing, future regulations could ban price discrimination leading to higher-than-regular prices. They could also expand and clarify information obligations and facilitate enforcement by reversing the burden of proof in cases of suspected price personalisation.

For more information on this topic, please see the website of the Committee on the Internal Market and Consumer Protection.

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