





Stepping up enforcement of consumer rules will ensure a level playing field in Europe

Joint statement by BEUC, BusinessEurope and EuroCommerce

Consumer and business representatives call upon the European Commission to swiftly review the Consumer Protection Cooperation Regulation (EU Regulation 2017/2394) with the aim of strengthening cross-border enforcement, ensuring strong protection for consumers and a level playing field for all traders serving EU consumers regardless of where they are located.

In recent years, studies, reports and testing campaigns¹ have provided ample evidence that the enforcement of EU rules – especially around consumer protection – is insufficient and faces an increasing number of obstacles, including resource constraints and limited partnerships between authorities and stakeholders.

The lack of effective and efficient enforcement undermines consumer trust and the competitiveness of businesses. Companies established in the EU that play by the rules by investing in product compliance suffer from unfair competition from rogue traders and third-country marketplaces ignoring EU rules.

Enforcement authorities face several challenges, such as insufficient resources, difficult coordination to address complex and multifaceted infringements, lack of deterring measures and issues in reaching out to traders, especially when they are located outside the EU but targeting European consumers, and no responsible person can be identified.

The coordinated actions of authorities under the CPC regulation are often constrained by national and even regional boundaries and demand time. As such, they are ill adapted to the very fast pace and cross-border nature of unfair practices happening in the digital space.² This has an aggravating effect on the competitiveness of EU-based retailers and wholesalers, as well as on consumer protection.

The CPC Regulation is an essential part of ensuring that EU rules are properly enforced, and as confirmed by the European Commission's e-commerce action plan³, its revision is necessary. Making the enforcement processes faster would reduce the time when non-compliant traders can make unjustified revenues. This would in turn enhance fairness in the market and consumer protection.

The CPC Regulation is an important element of improving coordination and collaboration across enforcement domains in the Single Market. Therefore, the CPC review should be part of a cross-stakeholder strategic dialogue on a future EU consumer enforcement strategy and build upon the current system's strengths.

¹ Strengthening the coordinated enforcement of consumer protection rules, BEUC position paper, 2022.

² I. Kallio & J. Kurjenoja – <u>Competitive advantage of Asian e-commerce – Test purchases from the Temu.com marketplace</u>, 17 September 2024

³ E-commerce <u>action plan</u>







The European Commission has the power to propose an ambitious revision of the existing CPC regulatory framework, while remaining in line with the Commission's simplification agenda, which should include:

- Giving a strong and clearer mandate to the European Commission for addressing EU-wide infringements affecting millions of Europeans, especially when traders are based outside the EU.
- Modernising CPC procedural rules to increase transparency and speed up cases.
- Setting up a clearer framework at the EU level to further improve collaboration and coordination between authorities and across enforcement domains (e.g. consumer, data protection, safety, competition, etc).⁴
- Leveraging new technologies and data sharing capabilities (e.g. on rogue traders, emerging trends, learnings from legitimate companies etc.) for more efficient enforcement.
- Enhancing its role in providing guidance and recommendations for businesses and national enforcement authorities.
- Launching a dialogue with all stakeholders and national authorities (including business and consumer representatives) to discuss systemic infringements and problematic enforcement areas, and to coordinate awareness campaigns for consumers and traders.

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 $^{\rm 4}\,{\rm As}$ this exists in some countries like the Netherlands for instance