Basic information

2016/0148(COD) COD - Ordinary legislative procedure (ex-codecision procedure) Regulation	Procedure completed
Cooperation between national authorities responsible for the enforcement of consumer protection laws Repealing Regulation (EU) No 2006/2004 2003/0162(COD) Amended by 2016/0152(COD) Amended by 2023/0083(COD) Amended by 2023/0375(COD) **Subject** 2.80 Cooperation between administrations 4.60.06 Consumers' economic and legal interests 7.40.02 Judicial cooperation in civil and commercial matters	

Key players

European Parliament

Committee responsible	Rapporteur	Appointed
IMCO Internal Market and Consumer Protection	SEHNALOVÁ Olga (S&D)	17/06/2016
	Shadow rapporteur COELHO Carlos (PPE) SULÍK Richard (ECR) SELIMOVIC Jasenko (ALDE) REDA Felix (Verts/ALE)	

Committee for opinion	Rapporteur for opinion	Appointed
BUDG Budgets	The committee decided not to give an opinion.	
ITRE Industry, Research and Energy	The committee decided not to give an opinion.	
CULT Culture and Education	The committee decided not to give an opinion.	
JURI Legal Affairs	CHRYSOGONOS Kostas (GUE/NGL)	11/07/2016

Council of the European Union	**Council configuration**	**Meetings**	**Date**
	Competitiveness (Internal Market, Industry, Research and Space)	3503	2016-11-28
	Competitiveness (Internal Market, Industry, Research and Space)	3519	2017-02-20
	Competitiveness (Internal Market, Industry, Research and Space)	3580	2017-11-30

European Commission	**Commission DG**	**Commissioner**
	Justice and Consumers	JOUROVÁ Věra

European Economic and Social Committee

Key events

Date	Event	Reference	Summary
25/05/2016	Legislative proposal published	COM(2016)0283	Summary
09/06/2016	Committee referral announced in Parliament, 1st reading		
28/11/2016	Debate in Council		
20/02/2017	Debate in Council		
21/03/2017	Vote in committee, 1st reading		
21/03/2017	Committee decision to open interinstitutional negotiations with report adopted in committee		
27/03/2017	Committee report tabled for plenary, 1st reading	A8-0077/2017	Summary
03/04/2017	Committee decision to enter into interinstitutional negotiations announced in plenary (Rule 72)		
05/04/2017	Committee decision to enter into interinstitutional negotiations confirmed by plenary (Rule 72)		
13/07/2017	Approval in committee of the text agreed at 1st reading interinstitutional negotiations	GEDA/T/(2017)006586 PE608.048	
14/11/2017	Decision by Parliament, 1st reading	T8-0426/2017	Summary
14/11/2017	Results of vote in Parliament		
14/11/2017	Debate in Parliament		
30/11/2017	Act adopted by Council after Parliament's 1st reading		
12/12/2017	Final act signed		
12/12/2017	End of procedure in Parliament		
27/12/2017	Final act published in Official Journal		

Technical information

Procedure reference	2016/0148(COD)
Procedure type	COD - Ordinary legislative procedure (ex-codecision procedure)

Procedure subtype	Legislation
Legislative instrument	Regulation
Amendments and repeals	Repealing Regulation (EU) No 2006/2004 2003/0162(COD) Amended by 2016/0152(COD) Amended by 2023/0083(COD) Amended by 2023/0375(COD)
Legal basis	Treaty on the Functioning of the European Union TFEU 114
Other legal basis	Rules of Procedure EP 165
Mandatory consultation of other institutions	European Economic and Social Committee
Stage reached in procedure	Procedure completed
Committee dossier	IMCO/8/06759

Documentation gateway

European Parliament

Document type	Committee	Reference	Date	Summary
Committee draft report		PE594.014	30/11/2016	
Amendments tabled in committee		PE597.438	16/01/2017	
Committee opinion	JURI	PE595.729	08/03/2017	
Committee report tabled for plenary, 1st reading/single reading		A8-0077/2017	27/03/2017	Summary
Text agreed during interinstitutional negotiations		PE608.048	11/07/2017	
Text adopted by Parliament, 1st reading/single reading		T8-0426/2017	14/11/2017	Summary

Council of the EU

Document type	Reference	Date	Summary
Coreper letter confirming interinstitutional agreement	GEDA/T/(2017)006586	05/07/2017	
Draft final act	00041/2017/LEX	12/12/2017	

European Commission

Document type	Reference	Date	Summary
Legislative proposal	COM(2016)0283	25/05/2016	Summary
Document attached to the procedure	SWD(2016)0164	26/05/2016	
Document attached to the procedure	SWD(2016)0165	26/05/2016	
Commission response to text adopted in plenary	SP(2018)8	10/01/2018	
Follow-up document	SWD(2022)0108	08/04/2022	
Follow-up document	COM(2024)0311	25/07/2024	

Follow-up document	SWD(2024)0186	25/07/2024	

National parliaments

Document type	Parliament /Chamber	Reference	Date	Summary
Reasoned opinion	SE_PARLIAMENT	PE585.524	28/06/2016	
Contribution	PT_PARLIAMENT	COM(2016)0283	28/07/2016	
Reasoned opinion	AT_BUNDESRAT	PE587.480	25/08/2016	
Reasoned opinion	BG_PARLIAMENT	PE587.658	08/09/2016	
Reasoned opinion	CZ_CHAMBER	PE589.331	28/09/2016	
Contribution	IT_CHAMBER	COM(2016)0283	10/02/2017	

Other institutions and bodies

Institution/body	Document type	Reference	Date	Summary
EESC	Economic and Social Committee: opinion, report	CES4489/2016	19/10/2016	

Additional information

Source	Document	Date
European Parliament	Briefing	
European Commission	EUR-Lex	

Final act

Regulation 2017/2394
OJ L 345 27.12.2017, p. 0001 Summary

Cooperation between national authorities responsible for the enforcement of consumer protection laws

2016/0148(COD) - 27/03/2017 - Committee report tabled for plenary, 1st reading/single reading

The Committee on the Internal Market and Consumer Protection adopted the report by Olga SEHNALOVÁ (S&D, CZ) on the proposal for a regulation of the European Parliament and of the Council on cooperation between national authorities responsible for the enforcement of consumer protection laws.

The committee recommended that the European Parliament's position, adopted at first reading following the ordinary legislative procedure, should amend the Commission proposal as follows:

Scope: this Regulation shall apply to intra-Union infringements, widespread infringements and widespread infringements with a Union dimension as respectively, even where those infringements have ceased before an enforcement procedure started or could be completed.

Members proposed a clear set of **definitions**, including the terms: "'widespread infringement with a Union dimension", "competent authority", "single liaison office", "sweeps".

Widespread infringement with a Union dimension shall mean a widespread infringement that harmed, harms or is likely to harm consumer's collective interests in a majority of Member States accounting together for at least a majority of the population of the Union.

Limitation period: the competent authorities may investigate infringements and prevent traders from engaging in them in the future. Within five years from the cessation of the infringement, the competent authorities may have the power to **impose sanctions, order compensation for consumers and order the restitution of profits obtained as a result of infringements**.

Competent authorities and single liaison offices: each Member State shall designate the competent authorities and a single liaison office that are responsible for the application of this Regulation. The coordination role of the single liaison office should be entrusted in each Member State to a public authority that has **sufficient powers and necessary resources** to undertake that key role.

Powers of competent authorities: Members stated that each Member State shall confer on their competent authorities the **investigation and enforcement powers** and shall provide them with the resources necessary for the application of this Regulation. The text lists the powers that competent authorities of each Member State shall dispose in order to carry out the duties assigned to them by this Regulation.

The competent authorities shall exercise powers **proportionately, efficiently and effectively** in accordance with Union law, including the principles of the Charter of Fundamental Rights of the European Union, applicable procedural safeguards and the Union rules on data protection, and national law.

When a decision is being made whether to impose a **sanction**, due regard shall be given to the nature, gravity and duration of the infringement, taking into account the number of consumers affected and the level of damage suffered by them and the intentional or negligent character of the infringement.

Requests for information: Members proposed to lay down a **30 day time-limit** for replying to requests for information and specified that the requested authority shall **without undue delay**, on request from an applicant authority, take all necessary enforcement measures to bring about the cessation or prohibition of the intra-Union.

The Commission shall adopt implementing acts laying down the standard forms and steps of the procedure on the request for information and enforcement measures.

Launching of coordinated actions and designation of the coordinator: where a competent authority or the Commission has a reasonable suspicion that a widespread infringement is taking place, it shall notify the competent authorities of the Member States concerned by that infringement and the Commission, as applicable, without delay.

When the threshold for a widespread infringement with a Union dimension is met, the Commission shall launch a coordinated action and shall **ensure the coordination of the action**.

A competent authority may decline to take part in a coordinated action if, for instance, a criminal investigation or judicial proceedings have already been initiated in respect of the same widespread infringement or the widespread infringement with a Union dimension and against the same trader in the Member State concerned.

The provisions on investigative measures, commitments, enforcement measures in coordinated actions and the closure of these actions have been clarified.

Sweeps: coordinated screening of online ecommerce websites (sweeps) is another form of enforcement coordination that has proven to be an effective tool against infringements. Members stated that these should be retained and strengthened in the future, including by extending its application to **offline sectors**. They shall be coordinated by the Commission.

Alert mechanism: entities having the appropriate expertise and legitimate interest in consumer protection shall be entitled to participate in the alert mechanism set up by the Regulation. The participation of professional associations shall also be authorised.

Cooperation between national authorities responsible for the enforcement of consumer protection laws

2016/0148(COD) - 25/05/2016 - Legislative proposal

PURPOSE: to develop more modern, efficient and effective enforcement cooperation mechanisms in the consumer protection area and contribute to the completion of the Digital Single Market.

PROPOSED ACT: Regulation of the European Parliament and of the Council.

ROLE OF THE EUROPEAN PARLIAMENT: the European Parliament decides in accordance with the ordinary legislative procedure and on an equal footing with the Council.

BACKGROUND: Regulation 2006/2004 on cooperation between national authorities responsible for enforcement of consumer protection laws (the Regulation on consumer protection cooperation, the "CPC Regulation") has strengthened the enforcement of consumer laws across the EU. However, **a high level of non-compliance with the key Union consumer rules persists** in the main consumer markets.

The coordinated screenings of online e-commerce websites ("sweeps") carried out by CPC authorities since 2007 show rates of non-compliance with basic consumer rules, between **32% and 69%,** in the checked markets. Further, a conservative estimate based on a representative sample of five online sectors (clothing, electronic goods, recreation, consumer credit and package travel) shows that 37% of EU e-commerce did not respect Union consumer law in 2014.

The Commission evaluation report under the CPC Regulation concluded that **the current Regulation needs to be replaced** to respond to the challenges of the digital economy and the development of cross-border retail trade in the EU.

A **legislative proposal** is therefore needed to address the identified shortcomings of the CPC Regulation. The general objective of the proposal is to develop modern, efficient and effective CPC mechanisms that will reduce the consumer detriment caused by cross-border and widespread infringements to Union consumer law.

The Single Market strategy adopted by the Commission on 28 October 2015 further reiterated that the Commission will improve the enforcement of Union consumer law by national authorities through the reform of the CPC Regulation.

IMPACT ASSESSMENT: among the five policy options examined, the preferred option is the option to revise the CPC Regulation by extending its scope and strengthening its efficiency.

It was estimated for the subset of five online markets studied in the impact assessment that a decrease of 10 points in the non-compliance rate of 37% could reduce the detriment from an estimated EUR 770 million per year to about **EUR 539 million, i.e. by 30%.**

CONTENT: the Commission proposes to modernise the current CPC Regulation, by deepening the level of harmonisation, in order to address the above issues and to boost the cross-border enforcement of Union consumer laws in the Single Market.

The main elements of the proposal are as follows:

Introductory provisions: the proposal updates the definitions to take account the extension of the Regulation to **widespread infringements and ceased infringements** (infringements of short duration that ceased before enforcement measures can be taken, but which may be causing harm to consumers afterwards. It introduces a limitation period for the possibility to impose penalties (five years from the termination of such infringements) and sets rules for the calculation of the limitation period and for its suspension.

Competent authorities and their powers: this Chapter: (i) defines how to designate competent authorities and single liaison offices for this Regulation; (ii) clarifies the roles of the single liaison offices; (iii) calls on the Member States to ensure smooth cooperation among the members of the enforcement network in their territory; (iv) requires Member States to ensure that other national authorities support the work of the competent authorities.

Further minimum powers have been added, such as the power to make test purchases and carry out mystery shopping, power to adopt interim measures, block websites and the power to impose penalties and to safeguard consumer compensation in a cross-border context.

Mutual Assistance Mechanism: this mechanism shall be used to address intra-Union infringements, which affect consumers in one Member State but have a cross-border element (e.g. the responsible trader is located in another Member State). The proposal newly sets out that the requested authority has an obligation to reply to a mutual assistance request within the time limit set by implementing measures.

Coordinated surveillance, investigation and enforcement mechanism for widespread infringements: the proposal provides for instruments to address widespread infringements. These include coordinated actions, common actions against widespread infringements with Union-dimension and concerted investigations of consumer markets. The proposal also establishes a **new instrument to address widespread infringements with Union-dimension** which are likely to harm consumers in a large part of the Union. It sets out the thresholds that determine which suspected infringements have a Union-dimension. The Commission establishes whether the thresholds for Union-dimension are fulfilled and launches the common action by decision. It has also an obligation to coordinate investigation and other measures that Member States need to take to stop the infringement. Participation in a common action is mandatory for competent authorities in Member States concerned by the infringement.

Surveillance Mechanism: the new surveillance mechanism replaces the current CPC system of alerts. It combines the alerts under the current CPC Regulation with wider exchange of information that is relevant and necessary for timely detection of widespread infringements. Other entities may participate in the alert mechanism through external alerts.

Professional and commercial secrecy: the proposed Regulation ensures protection of professional and commercial secrets. It also provides that the information collected using the minimum powers under the Regulation will only be used for the purposes of ensuring compliance with the laws that protect consumers' interests. **Annex**: it is proposed to include the following EU legislative act to the Annex of the CPC Regulation: Directive on consumer rights; Directive on services in the internal market; Directive on credit agreements; Directive on payment accounts; Regulation on railway passenger rights and obligations; Regulation concerning the rights of disabled persons and persons with reduced mobility when travelling by air; Regulation on common rules for the operation of air services in the Community.

BUDGETARY IMPLICATIONS: the Commission estimated that there will be approximately **four common actions** per year against widespread infringements with Union-dimension. This will trigger an additional workload for the Commission, estimated to require two full-time officials to coordinate these common actions. These resources will be obtained through the redistribution and refocusing of the existing personnel.

The Commission will also incur additional costs in monitoring the functioning of the mutual assistance and alert mechanisms. The Commission's total additional costs for its enhanced coordination and monitoring role are estimated to be below **EUR 300 000 per year** and these costs will be covered by internal reallocation of resources.

Cooperation between national authorities responsible for the enforcement of consumer protection laws

2016/0148(COD) - 12/12/2017 - Final act

PURPOSE: strengthen cooperation between EU national authorities responsible for enforcing consumer protection legislation.

LEGISLATIVE ACT: Regulation (EU) 2017/2394 of the European Parliament and of the Council on cooperation between national authorities responsible for the enforcement of consumer protection laws and repealing Regulation (EC) No 2006/2004.

CONTENT: the Regulation aims to **modernise the cooperation mechanisms between national authorities** to further reduce the harm suffered by consumers as a result of cross-border infringements of EU consumer protection legislation. The new rules aim particularly to tackle the enforcement challenges of e-commerce and the digital environment in the EU.

The Regulation applies to intra-Union infringements, widespread infringements and **widespread infringements with a Union dimension**, the latter meaning widespread infringements that have done to the collective interests of consumers in at least two-thirds of the Member States, accounting, together, for at least two-thirds of the population of the Union.

Powers of competent authorities: each Member State shall ensure that its competent authorities and, where appropriate, the designated bodies responsible for compiling the relevant information concerning an infringement or taking the necessary enforcement measures to put an end to or prohibit such an infringement, cooperate effectively.

The new Regulation sets out a number of **minimum investigative and enforcement powers** that should be available to each competent national authority in order to ensure appropriate coordination in the fight against infringements. Powers of investigation will cover at least:

- **the power of access to any relevant document or information** relating to an infringement covered by the Regulation;
- **the power to require the provision of any relevant information** for the purposes of establishing the details of such infringement, including tracing financial and data flows, ascertaining the identity of persons involved, and ascertaining bank account information and ownership of websites;
- the power to carry out necessary on-site **inspections**;
- the power to purchase goods or services as **test purchases**, where necessary, under a cover identity.

Competent authorities may also (i) **open investigations or proceedings on their own initiative** if they learn of infringements by means other than consumer complaints; (ii) **publish** any final decision or undertaking of the trader, including making public the identity of the trader responsible for the infringement.

Where the Commission has a reasonable suspicion that a widespread infringement with a Union dimension has occurred, it should notify the competent authorities and single liaison offices concerned by that alleged infringement. Where the competent authorities concerned conclude that their investigations reveal that an infringement might be taking place, they should start **coordinated action**, which should always be coordinated by the Commission.

Mutual assistance mechanism: the mutual assistance mechanism between administrations is strengthened to help establish and put an end to an infringement within the EU. The Regulation sets out a period of **30 days** within which information must be provided to an applicant authority. The requested authority shall determine the appropriate enforcement measures needed to bring about the cessation or prohibition of the intra-Union infringement and shall take them not later than 6 months after receiving the request.

Alerts: a competent authority shall without delay notify the Commission, and other competent authorities of any reasonable suspicion that an infringement that may affect consumers' interests in other Member States is taking place on its territory.

Each Member State shall confer on designated bodies, European Consumer Centres, consumer organisations and associations, and, where appropriate, trader associations, that have the necessary expertise, the power to issue external alerts to the competent authorities of the relevant Member States.

Sweeps: concerted investigations of consumer markets through simultaneous coordinated control actions have proven to be an effective tool against infringements of Union laws. These operations will be maintained and strengthened in the future, **both in the online and offline sectors.**

The Commission shall submit to the European Parliament and the Council, by 17 January 2023 at the latest, a report on the application of the Regulation.

ENTRY INTO FORCE: 28.12.2017.

APPLICATION: from 17.1.2020. Regulation (EC) n° 2006/2004 is repealed with effect on the same date.

Cooperation between national authorities responsible for the enforcement of consumer protection laws

2016/0148(COD) - 14/11/2017 - Text adopted by Parliament, 1st reading/single reading

The European Parliament adopted by 591 votes to 95, with 15 abstentions, a legislative resolution on the proposal for a regulation of the European Parliament and of the Council on cooperation between national authorities responsible for the enforcement of consumer protection laws.

The European Parliament's position adopted at first reading under the ordinary legislative procedure amended the Commission proposal as follows:

Scope: this Regulation applies to **intra-Union infringements, widespread infringements and widespread infringements** with a Union dimension, even if those infringements have ceased before enforcement starts or is completed. 'Widespread infringement with a Union dimension' means a widespread infringement that has done, does or is likely to do harm to the collective interests of consumers in at least two-thirds of the Member States, accounting, together, for **at least two-thirds** of the population of the Union.

Competent Authorities and Single Liaison Offices: each Member State shall designate one or more competent authorities and the single liaison office responsible for the application of the Regulation. Those competent authorities, the other public authorities and, where appropriate, the designated bodies should **cooperate effectively** to enable the proper application of the Regulation within the Member States.

A competent authority may instruct a 'designated body' to gather the necessary information regarding an infringement covered by this Regulation or to take the necessary enforcement measures available to it under national law, in order to bring about the cessation or prohibition of that infringement.

Powers of competent authorities: the latter shall have at least the following **investigative** powers:

- **the power of access to any relevant documents**, data or information related to an infringement covered by this Regulation;
- **the power to require** any public authority, body or agency within their Member State or any natural person or legal person to **provide any relevant information**, to establish whether an infringement covered by this Regulation has occurred or is occurring, including tracing financial and data flows, ascertaining the identity of persons involved in financial and data flows, and ascertaining bank account information and ownership of websites;
- the power to carry out necessary **on-site inspections**, including the power to enter any premises, land or means of transport that the trader concerned by the inspection uses for purposes related to his trade, business, craft or profession;
- the power to **purchase goods or services as test purchases**, where necessary, under a cover identity (mystery shopping).

In addition, competent authorities shall have at least the following enforcement powers:

- the power to adopt **interim measures** to avoid the risk of serious harm to the collective interests of consumers;
- the power to receive from the trader, on the trader's initiative, **additional remedial commitments** for the benefit of consumers that have been affected by the alleged infringement covered by this Regulation, or, where appropriate, to seek to obtain commitments from the trader to offer adequate **remedies to the consumers** that have been affected by that infringement;
- the power to bring about the **cessation or the prohibition** of infringements covered by this Regulation;
- the power to remove content or to restrict access to an online interface or to order the explicit display of a **warning to consumers** when they access an online interface;
- the power to order **domain registries** or registrars to delete a fully qualified domain name and to allow the competent authority concerned to register it;
- the power to impose **penalties**, such as fines or periodic penalty payments.

The competent authorities shall also have the power:

- to **start investigations or proceedings on their own initiative** to bring about the cessation or prohibition of infringements;
- to **publish any final decision**, trader's commitments or orders, including the publication of the identity of the trader responsible for an infringement covered by this Regulation.

Competent authorities may **consult consumer organisations**, trader associations, designated bodies or other persons concerned, regarding the effectiveness of the proposed commitments in bringing the infringement covered by this Regulation to an end.

Mutual assistance mechanism: it is proposed to set a **deadline of 30 days to respond to requests for information** from the requesting authority. The requested authority shall determine the appropriate enforcement measures needed to bring about the cessation or prohibition of the intra-Union infringement and shall take them without delay and **not later than six months** after receiving the request.

Launch of coordinated actions: where there is a reasonable suspicion of a widespread infringement, the competent authorities concerned by that infringement shall, by agreement, launch a coordinated action.

The Commission shall report to the competent authorities any suspected infringement covered by the Regulation. If it suspects that a wide scale Union-wide crime has been committed, it should inform the Member States giving the reasons for launching a possible coordinated action. If after investigation, the competent authorities concerned come to the conclusion that an infringement could be committed, then they should initiate a coordinated action.

Action to combat wide-scale crime across the Union shall always be **coordinated by the Commission**.

The text provided that a competent authority may **refuse to participate in a coordinated action**, for example if judicial proceedings have already been initiated or if an investigation has shown that the actual or potential effects of the alleged infringement are negligible.

Sweeps: sweeps are another form of enforcement coordination that has proven to be an effective tool against infringements of Union laws that protect consumers' interests, and should be retained and strengthened in the future, for both online and **offline sectors**. They shall be coordinated by the Commission.

Union-wide alerts: Member States shall confer on designated bodies, European Consumer Centres, consumer organisations and associations, and, where appropriate, trader associations, that have the necessary expertise, the power to issue **external alerts** to the competent authorities of the relevant Member States and the Commission of suspected infringements covered by this Regulation and to provide the necessary information available to them.