

EDiMA dubious about the benefit of the proposed New Deal for Consumers

Brussels, April 11, 2018 EDiMA¹ welcomes the European Commission's efforts to modernise the existing comprehensive set of EU consumer laws. EDiMA strongly believes that it is essential that the focus remains on enforcement of existing and upcoming legislative instruments as the current consumer framework is robust. EDiMA cautions on the potential negative implications that may result from the review of the Injunctions Directive; that would ultimately harm industry while not benefiting the European consumer.

EU Consumer Law Amendments

EDiMA believes European consumer law is fit-for-purpose. Furthermore consumers additional legal protection will be introduced with the transposition of the General Data Protection Regulation (GDPR) enters into force next month, and when dealing with faulty digital content and services once the proposal on certain aspects concerning contracts for the supply of digital content (DCD) is adopted. EDiMA Director General, Siada El Ramly commented: *"EDiMA urges the co-legislators to question the need for additional unnecessary red tape. EDiMA supports the objective of the Commission to ensure that consumers are protected online and offline but strongly believes this can be achieved through enforcement of the legislative instruments already in place or in the making."*

Review of Injunctions Directive

EDiMA acknowledges the efforts of the European Commission to try to prevent the misuse of representative actions, but fears that there is still a real risk of introducing counter-productive US-like class actions at European level. The kind of approach has led to abusive litigation, which is proven to have had limited benefits to consumers. *"Given the proposal's overbroad scope, which extends beyond traditional consumer legislation, EDiMA is particularly concerned with the proposal's lack of robust procedural guarantees that prevent opportunistic litigation and meritless claims similar to the US experience with class actions"* said EDiMA Director General, Siada El Ramly

Online platforms have increased consumer welfare, choice and protection – our sector will only succeed if consumers have trust in the online environment. Enhancing consumer protection and allowing innovation to flourish is hence not a zero-sum-game: We believe that the proposal misses the opportunity to improve the environment to the benefit of both, consumers and businesses. EDiMA will continue to engage with the stakeholder community at large to seek a coherent EU consumer legal framework that is in the best interest of both consumers and digital innovation in Europe.

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¹ EDiMA is the European trade association representing online platforms and other innovative businesses. It is an alliance of new media and Internet companies whose members include Airbnb, Allegro, Amazon EU, Apple, eBay, Expedia, Facebook, Google, King, Microsoft, Mozilla, Oath, OLX, Snap Inc., TripAdvisor, Twitter, Veon Digital and Yelp. EDiMA's members provide Internet and new media platforms offering European consumers a wide range of online services, including e-content, media, e-commerce, communications and information/search services.