



New EU agreement on modernisation of consumer law will protect both consumers and businesses from misleading practices online

HOTREC strongly welcomes today's approval in the Council by the Member States ambassadors of the agreement reached with the European Parliament on the modernisation of EU consumer law. This reform represents an important step to end some widespread unfair and un-transparent practices on online markets.

"From the outset, the European hospitality sector is a strong and vocal supporter of this EU proposal. The Council's support to the ban on hidden paid placements on online platforms and to the new information obligations for platforms and comparison websites will help consumers to make truly informed choices, gain a better access to the best deals online and prevent manipulations of online reviews. This will benefit both consumers and businesses" commented Mr. Jens Zimmer Christensen, President of HOTREC.

"The Council's support is fundamental to ensure that the European Parliament adopts quickly the new legislation. A fast adoption of the new requirements for platforms to inform consumers about who is behind an offer and if consumer law protects them is an urgent necessity to restore a level-playing field in the tourism accommodation market. It will prevent rogue traders from using the anonymity of collaborative economy platforms to circumvent their legal obligations" added Christian de Barrin, CEO of HOTREC.

According to the agreement approved today:

- Hidden paid placements in product rankings on online platforms will be banned;
- Online platforms and comparison websites will have to inform consumers about the main parameters determining the product rankings;
- Comparison websites will have to be more transparent on the authenticity of reviews published;
- Online platforms will need to inform consumers if products are sold by professional traders or not and if the transaction is protected by consumer law;
- New rules will guarantee that alleged price promotions on online platforms are not fake.

HOTREC calls on the European Parliament plenary to urgently adopt the agreement reached with the Council before the end of its term.

What is HOTREC?

HOTREC represents the hotel, restaurant and café industry at European level. The sector counts in total around 2 million businesses, being 99,5% small and medium sized enterprises (90% are micro enterprises, i.e. employing less than 10 people). These businesses make up some 60% of value added. The industry provides some 11.9 million jobs in the EU alone. Together with the other tourism industries, the sector is the 3rd largest industry in Europe. HOTREC brings together 42 national associations representing the interest of this industry in 30 different European countries.

For further information: www.hotrec.eu

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