

European Parliament Amends Proposal for Directive on Collective Representative Actions



On 7 December 2018, the European Parliament's Legal Affairs Committee adopted a Report (the **Report**) on [the proposal \(the Proposal\) for a Directive on representative actions for the protection of the collective interests of consumers, and repealing Directive 2009/22/EC](#). This Resolution amends the proposal published by the European Commission in April 2018 (see previous article [here](#)).

The Proposal enables collective redress actions against infringements of EU law with a broad consumer impact. Accordingly, it covers areas such as data protection, financial services, travel and tourism, energy, telecommunications, environment and health.

The measures contained in the Proposal remain largely unchanged. However, in its Report, the Committee on Legal Affairs puts forward a number of interesting amendments to the initial Proposal.

The Report establishes stricter reputational and transparency requirements for qualified representatives and reinforces existing safeguards against frivolous and vexatious litigation. Among other things, the Report provides that the qualified representative entities *“disclose publicly, by appropriate means, such as on its website, in plain and intelligible language, how it is financed, its organisational and management structure, its objective and its working methods as well as its activities”*.

In order to enhance transparency, the Report also proposes that Member States set up a national register for representative actions.

Importantly, it also provides that a final decision issued by the court of a Member State determining the existence, or the non-existence, of an infringement should constitute a rebuttable presumption of the existence or the non-existence of the infringement for the purposes of any other follow-up action seeking redress before the national courts of other Member States against the same trader.

Finally, the Report mandates the European Commission to explore the possibility of establishing an EU-level collective redress action, as well as a European Ombudsman for collective redress.

The Proposal will be reviewed in plenary session on 13 March 2019.

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