# Car rentals: EU action leads to clearer and more transparent pricing

Until now, the companies concerned had not fully implemented some of their commitments in order for the European Commission and EU consumer authorities to consider them fully compliant with EU consumer law. The assessment published today notes that Enterprise and Sixt have now made all the required changes. Avis has committed to make remaining changes by May 2019. Europear, which now includes Goldcar, will implement the remaining changes by June 2019. Hertz have committed to make all the necessary changes at the latest by the first quarter of 2020.

Věra **Jourová**, Commissioner for Justice, Consumers and Gender Equality, said: "Thanks to our pressure there will be no more unpleasant surprises at the check-out desk when you're renting your car. It's really frustrating to start your holidays by having to pay unplanned extra costs and read complicated contracts. I want European consumers to enjoy their holidays to the maximum, without having to worry about nasty surprises with final bills."

The companies have committed to:

- Include all charges in the total booking price: consumers will now be offered a headline price on the website that matches the final price they will have to pay. This fee must include all additional costs such as specific fuel service charges, airport fees, 'young driver surcharges', or the 'one way fee' if the return location differs from the pick-up location;
- Clearly describe the key rental services in the terms and conditions in all national languages: consumers will not have to deal with unclear or misleading information about the main characteristics of the rental such as mileage included, fuel policy, cancellation policy and deposit requirements, etc.
- Make clear, in the price offer, the price and details of optional extras, in particular for insurance waivers that reduce the amount due in case of damage. What is covered in the basic rental price regarding damages and notably what the driver may still have to pay should be clearly indicated. If additional insurance or damage waiver is purchased, what is or is not included should also be clearly indicated before the consumer signs up.

## Next steps

The European Commission and national consumer authorities in the European Consumer Cooperation network will follow the implementation of the remaining changes closely. Although the companies involved in this action cover two out of three of all private car rentals in the EU, other traders, such as intermediaries and smaller companies play an important role in this market. The authorities and the European Commission will continue monitoring all players to ensure they fully respect EU consumer rules.

If the companies don't fulfil their commitments, consumer authorities could decide to resort to enforcement measures.

#### **Background**

The <u>EU Consumer Protection Cooperation (CPC) Regulation</u> brings together national consumer authorities in a pan-European enforcement network, through which a national authority in one EU country can call on its counterparts in other EU country to coordinate the response to <u>widespread consumer issues</u>. The European Commission facilitates this work.

Under the coordination of the UK Competition and Markets Authority, the Consumer Protection Cooperation (CPC) Network has launched contacts with the big five car rental companies following an increase in complaints received by the European Consumer Centres across the EU. This action has been facilitated by the European Commission.

These car rental companies, Avis Budget Group, Enterprise Rent-A-Car, Hertz Europe Limited, Sixt SE and Europear Mobility Group, improved their commercial practices, contract terms and internal policies during the course of this dialogue, which concluded <u>in 2017</u>. However, the Commission and consumer authorities were not satisfied by the level of implementation of some commitments and therefore asked these companies for additional improvements.

#### For More Information

Press release and report from UK Competition and Markets Authority (CMA)

Coordinated consumer actions

Leaseurope Guidelines

European Consumer Centres network

The following corrections apply to at least one of the company's brands websites					
35	AVIS	ENTERPRISE	EUROPCAR	HERTZ	SIXT
No hidden sur	prises - head	line prices no	w include:	26 18 18 18 18 18 18 18 18 18 18 18 18 18	
Young driver surcharge (YDS)	Committed to be corrected by May 2019		<b>✓</b>		<b>√</b>
One way fee			<b>√</b>		
Fuel surcharge		j	Committed to be corrected by June 2019		
Premium location fee			Committed to be corrected by 26 March 2019		
Out of office hours fee			<b>✓</b>		<b>√</b>
Information n	ow clearly st	ated and prov	/ided in natio	nal language	
Deposit/pre- authorisation amounts	Committed to be corrected by April 2019	<b>✓</b>	✓	Committed to be corrected by Q1 2020	<b>√</b>
Excess amounts	✓	✓	Committed to be corrected by June 2019	Committed to be corrected by Q1 2020	
Collision damage waiver (CDW) exclusions		✓		Committed to be corrected by Q1 2020	
Clearer inform	nation on:				
Optional extras (e.g. child seats, GPS)	<b>√</b>		<b>✓</b>	<b>✓</b>	
Legal requirements for child seats/snow chains	<b>√</b>		✓	<b>✓</b>	✓
"Best offer" and "cheapest choice"			1		

- All companies will ensure that consumers searching from within the EU are routed primarily to websites, which comply with EU law, and it is these websites that are promoted and marketed within the EU.

  Where applicable, all companies committed to address their franchisees and licensees where they also needed to make changes.

### Key

Was already correct
Corrected thanks to the EU action
Companies have committed to complete the action required