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COVER NOTE

From:	Secretary-General of the European Commission, signed by Ms Martine DEPREZ, Director
date of receipt:	17 October 2023
To:	Ms Thérèse BLANCHET, Secretary-General of the Council of the European Union
No. Cion doc.:	SEC(2023) 347 final
Subject:	COMMISSION STAFF WORKING DOCUMENT Subsidiarity Grid Accompanying the document Proposal for a DIRECTIVE OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL amending Directive 2013/11/EU on alternative dispute resolution for consumer disputes, as well as Directives (EU) 2015/2302, (EU) 2019/2161 and (EU) 2020/1828

Delegations will find attached document SEC(2023) 347 final.

Encl.: SEC(2023) 347 final

EUROPEAN COMMISSION

Brussels, 28.04.2023
SEC(2023) 347 final

REGULATORY SCRUTINY BOARD OPINION

Proposal for a
DIRECTIVE OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL
amending Directive 2013/11/EU on alternative dispute resolution for consumer disputes, as well as Directives (EU) 2015/2302, (EU) 2019/2161 and (EU) 2020/1828

{COM(2023) 649 final}
{SWD(2023) 334 final} {SWD(2023) 335 final} {SWD(2023) 337final}

Ref. Ares(2023)3016871 - 28/04/2023

EUROPEAN COMMISSION
REGULATORY SCRUTINY BOARD

Brussels,
RSB

Opinion

Title: Impact assessment / Revision of the Directive on alternative dispute resolution for consumer disputes

Overall opinion: POSITIVE

(A) Policy context

The enforcement of the comprehensive EU legislation on consumer protection (a shared competence with the Member States) rests on two complementary pillars – public and private enforcement. The latter may be pursued before a court or through an out-of-court settlement. The revision of the Alternative Dispute Resolution (ADR) Directive concerns the off-court consumer redress with the aim to adapting it to the rapid digitalisation of consumer markets, increasing the awareness of ADR schemes among consumers and the engagement of traders in them, and improving the cross-border dispute resolutions.

(B) Summary of findings

The Board notes the additional information provided and commitments to make changes to the report.

The Board gives a positive opinion. The Board also considers that the report should further improve with respect to the following aspects:

(1) The choice of measures constituting the option packages requires further explanation.

(2) The comparison of options is not sufficiently detailed and lacks clarity in terms of the methodology and applied criteria.

(C) What to improve

(1) The report should better explain on what basis the considered individual measures were combined into the analysed option packages. It should consider expanding the range of option packages by providing a wider choice in terms of the combination of measures relating to the scope of the initiative and the level of intrusiveness. The report should also be explicit from the outset on the interdependencies between the policy measures, which ones are mutually exclusive, cumulative, or horizontally applicable to all options. Some

This opinion concerns a draft impact assessment which may differ from the final version.

Commission européenne/Europese Commissie, 1049 Bruxelles/Brussel, BELGIQUE/BELGIË - Tel. +32 22991111
regulatory-scrutiny-board@ec.europa.eu

measures should be clarified further, for instance how the enforcement of the Directive will be executed with respect to the third-country traders under the proposed scope extension or why further measures to raise awareness of ADR among the businesses and consumers are needed.

(2) The report should strengthen the impact analysis. It should further clarify all the assumptions and clearly acknowledge the limitations of the analysis. Given the divergence of ADR national solutions between Member States, the report should better explain the differences in the expected impacts of the proposed measures on Member States. The classification of costs related to the One In, One Out approach should be brought in line with the methodology presented in the better regulation toolbox. The distinction between the expected one-off and recurrent costs and benefits for businesses should be clarified further. The report should be clearer about the aggregate and firm level impacts. It should present a summary of the costs and benefits for each option, including the net benefits.

(3) The methodology behind the scoring system used for the comparison of options should be clarified. The comparison of options should be done against the baseline and include effectiveness criteria related to the specific objectives. If the range of considered options is extended in line with suggestions under point (1), the comparison of options needs to reflect that as well.

The Board notes the estimated costs and benefits of the preferred option(s) in this initiative, as summarised in the attached quantification tables. The table should be adjusted with respect to the classification of costs related to the 'one in, one out' approach.

Some more technical comments have been sent directly to the author DG.

(D) Conclusion

The lead DG may proceed with the initiative after considering the Board's recommendations.

Full title	Proposal to amend Directive 2013/11/EU of the European Parliament and of the Council of 21 May 2013 on alternative dispute resolution for consumer disputes and to repeal Regulation (EU) No 524/2013 of the European Parliament and of the Council of 21 May 2013 on online dispute resolution for consumer disputes
Reference number	PLAN/2022/1534
Submitted to RSB on	29 March 2023
Date of RSB meeting	26 March 2023

ANNEX – Quantification tables extracted from the draft impact assessment report

The following tables contain information on the costs and benefits of the initiative on which the Board has given its opinion, as presented above.

If the draft report has been revised in line with the Board's recommendations, the content of these tables may be different from those in the final version of the impact assessment report, as published by the Commission.

I. Overview of Benefits (total for all provisions) – Preferred Option		
Description	***Amount***	***Comments***
Direct benefits		
Reduction of information disclosure obligations	EUR 264 million annually	Businesses
Replacing ODR Platform	EUR 370 million annually EUR 500,000 annually	Businesses Commission
Reduction of detriment	EUR 33 million annually	Consumers
Administrative cost savings related to the 'one in, one out' approach		
Direct	EUR 634 million annually	Businesses

II. Overview of costs – Preferred option							
		Citizens/Consumers		**Businesses**		**Administrations**	
		One-off	**Recurrent**	**One-off**	**Recurrent**	**One-off**	**Recurrent**
Option C	Direct adjustment costs				EUR 2.6 million annually for duty of reply EUR 25 million annually for ADR entities for extra disputes, at the net of bundling cases EUR 11 million annually for putting platforms in compliance		
Costs related to the 'one in, one out' approach							

3

Total	Direct adjustment costs				EUR 38.6 million		

Electronically signed on 28/04/2023 12:07 (UTC+02) in accordance with Article 11 of Commission Decision (EU) 2021/2121