



Council of the European Union  
General Secretariat

Brussels, 13 June 2025

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**Interinstitutional files:  
2023/0376 (COD)**

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WK 7931/2025 INIT

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#### NOTE

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From:	General Secretariat of the Council
To:	Working Party on Consumer Protection and Information (Attachés) Working Party on Consumer Protection and Information
N° Cion doc.:	ST 14434/23
Subject:	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 - Updated compromise proposals

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Delegations will find attached updated Presidency compromise proposals in preparation for the Working Party on 17 June. Changes from WK 7336/25 are highlighted in yellow.

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WK 7931/2025 INIT

**LIMITE**

**EN**

# 1. Automated systems

Recital 10b			
19b			<p><i><u>(10b) Technological advances, including within the fields of artificial intelligence (AI), may contribute to automation of dispute resolution allowing to reach faster and more consistent outcomes. Regulation (EU) 2024/1689 of the European Parliament and of the Council of 13 June 2024 laying down harmonised rules on artificial intelligence (Artificial Intelligence Act)<sup>15</sup> acknowledges the use of AI in the context of certain ADR procedures, which may be considered high risk under point 8(a), Annex III to the AI Act. However, the use of automated means not falling under this Annex to help ADR reach an outcome (for example, rule-based algorithms or decision trees), may also carry certain risks of bias and opacity. Their use in the decision-making process should, therefore, be fully transparent for the parties</u></i></p> <p><i>(10b) Technological advances, including within the <del>fields</del>field of artificial intelligence (AI), may contribute to automation of dispute resolution allowing to reach faster and more consistent outcomes. Regulation (EU) 2024/1689 of the European Parliament and of the Council of 13 June 2024 laying down harmonised rules on artificial intelligence (<del>Artificial Intelligence Act</del>15) acknowledges the use of <del>AI</del>artificial intelligence systems in the context of certain ADR procedures, which may be considered high risk under point 8(a), of Annex III to <del>that</del> Regulation and requires the deployers of such systems to inform natural persons that they are subject to<del>the AI Act. However,</del> the use of <del>such</del> systems. However, automated means not falling under <del>this Annex</del>that Regulation that are used to help</i></p>

and assist the natural persons in charge of ADR, but not replace them. Consumers and traders should be informed in advance on the nature, the role and the potential risks of the use of such automated means in the decision-making process of the ADR procedure and may, if they so wish, request that the outcome of the procedure is reviewed by a natural person from the ADR entity. That person should meet the requirements of article 6, paragraph 1, of Directive 2013/11/EU in terms of necessary expertise, independence and impartiality. Furthermore, as the Regulation (EU) 2016/679 of the European Parliament and of the Council<sup>15</sup> continues to apply, the ADR entities must respect its provisions on the automated decision-making.

<sup>15</sup> Regulation (EU) 2024/1689 of the European Parliament and of the Council of 13 June

ADR reach an outcome ~~(for example, rule-based algorithms or decision trees)~~, may also carry certain risks of bias and opacity. ~~Their use~~ **Therefore, the use of such means** in the decision-making process should, ~~therefore~~, be fully transparent ~~for~~ **and** the parties ~~and assist the natural persons in charge of ADR, but not replace them. Consumers and traders~~ **to the ADR procedure** should be informed in advance ~~on the nature, the role and the potential risks of the use of such of their use. Furthermore, parties to an ADR procedure using~~ automated means **in the decision-making process** ~~of the ADR procedure and may, if they so wish,~~ **including but not limited to high-risk artificial intelligence systems, should be able to** request that the outcome of the procedure is reviewed by a natural person from the ADR entity. That **natural** person should meet the requirements of Article ~~6, paragraph 1, 6(1)~~ **6(1)** of Directive 2013/11/EU in terms of

			<p><a href="#"><u>2024 laying down harmonised rules on artificial intelligence and amending Regulations</u></a></p> <p><a href="#"><u>(EC) No 300/2008, (EU) No 167/2013, (EU) No 168/2013, (EU) 2018/858, (EU) 2018/1139 and (EU) 2019/2144 and Directives 2014/90/EU, (EU) 2016/797 and (EU) 2020/1828 (Artificial Intelligence Act) (OJ L, 2024/1689, 12.7.2024).</u></a></p> <p><a href="#"><u>16. Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April</u></a></p> <p><a href="#"><u>2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data, and repealing Directive 95/46/EC (General Data Protection Regulation) (OJ L 119, 4.5.2016, p. 1).</u></a></p>	<p><b>the</b> necessary expertise, independence and impartiality. <del>Furthermore, as the Regulation (EU) 2016/679 of the European Parliament and of the Council continues to apply, the ADR entities must respect its provisions on the automated</del><b>The</b> decision-making <b>process should be understood as actions which influence the decisions on whether or not to deal with the dispute or decisions concerning the outcome of the dispute and as excluding purely administrative or auxiliary technical tasks.</b></p> <hr/> <p><del>15. Regulation (EU) 2024/1689 of the European Parliament and of the Council of 13 June</del></p> <p><del>2024 laying down harmonised rules on artificial intelligence and amending Regulations</del></p> <p><del>(EC) No 300/2008, (EU) No 167/2013, (EU) No 168/2013, (EU) 2018/858, (EU) 2018/1139 and (EU) 2019/2144 and Directives 2014/90/EU, (EU) 2016/797 and (EU)</del></p>
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				<p><i>2020/1828 (Artificial Intelligence Act) (OJ L, 2024/1689, 12.7.2024).</i></p> <p><i>16. Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April</i></p> <p><i>2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data, and repealing Directive 95/46/EC (General Data Protection Regulation) (OJ L 119, 4.5.2016, p. 1).</i></p> <p>COM drafting proposal presented at the WP on 23/05.</p>
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Article 1, first paragraph, point (3)(b), amending provision, numbered paragraph (c)				
53	(c) grant the right to the parties to the dispute to request that the outcome of the ADR procedure be reviewed by a natural person when the procedure was carried out by automated means;	(c) <del>grant the right to the parties to the dispute to request that the outcome of the ADR procedure be reviewed by a natural person</del> when the procedure was carried out by automated means, <u>ensure that parties to the dispute have access to review by a natural person,</u>	(c) grant the right to the parties to the dispute to request that the outcome of the ADR procedure be reviewed by a natural person <del>when the procedure was carried out by</del> <u>from the ADR entity meeting the requirements of article 6(1),</u> <del>when</del> automated means <u>were</u>	(c) <del>grant the right to</del> <u>where applicable, inform the parties in advance in a clear, comprehensible and easily accessible way about the use of automated means in the ADR decision-making procedure process and ensure that</u> the parties to the dispute <u>have the right</u> to request that the outcome of the ADR procedure be

		<u>who is independent and impartial;</u>	<u>used in the ADR decision-making process;</u>	<p>reviewed by a natural person from the ADR entity meeting the requirements of Article 6(1), <b>when automated means were used in the ADR decision-making process;</b></p> <p>COM drafting proposal presented at the WP on 23/05.</p>
Article 1, first paragraph, point (3)(b), amending provision, numbered paragraph (Ca)				
53a			<u>(ca) inform the parties to the dispute of their right under point (c);</u>	<p><u>(ca) inform the parties to the dispute of their right</u> to request that the outcome of the ADR procedure be reviewed by a natural person <u>under point (c);</u></p> <p>Text Origin: Council Mandate</p>

## 2. Duty to reply

Recital 13				
22	(13) Under Directive 2013/11/EU, Member States may introduce national legislation to	(13) Under Directive 2013/11/EU, Member States may introduce national legislation to	(13) Under Directive 2013/11/EU, Member States may introduce national legislation to	(13) Under Directive 2013/11/EU, Member States may introduce national legislation to

	<p>make trader participation in ADR compulsory in sectors they deem fit, in addition to sector-specific Union legislation which provides for mandatory participation of traders in ADR. To encourage traders' participation in the ADR procedures and to ensure due and swift ADR procedures, traders should be required, especially in cases where their participation is not compulsory, to respond within a specific period to enquiries made by ADR entities on whether they intend to participate to the proposed procedure.</p>	<p>make trader participation in ADR compulsory in sectors they deem fit, in addition to sector-specific Union legislation which provides for mandatory participation of traders in ADR. To encourage traders' participation in the ADR procedures and to ensure due and swift ADR procedures, traders should be required, especially in cases where their participation is not compulsory, to respond within a specific period <u>that should not exceed 15 working days</u> to enquiries made by ADR entities on whether they intend to participate to the proposed procedure. <u>An extension of this deadline could be granted for complex disputes or as a result of exceptional circumstances, such as a period of high activity or an external crisis.</u></p>	<p>make trader participation in ADR compulsory in sectors they deem fit, in addition to sector-specific Union legislation which provides for mandatory participation of traders in ADR. To encourage traders' participation in the ADR procedures and to ensure due and swift ADR procedures, traders should be required, <del>especially in cases where their participation is not compulsory, to respond to reply</del> within a specific period to enquiries made by ADR entities on whether they intend to participate to the proposed procedure. <u>The duty to reply should not hinder ADR entities from making recommendations or taking non-binding decisions, even when the trader has indicated that they do not intend to participate in the ADR procedure.</u></p>	<p>make trader participation in ADR compulsory in sectors they deem fit, in addition to sector-specific Union legislation which provides for mandatory participation of traders in ADR. <u>In any event, Member States should ensure that following the submission of the complaint by the consumer, ADR entities once an competent ADR entity decides to deal with consider a consumer complaint in accordance with its procedural rules, that entity will contact and invite the trader concerned to participate in the procedure, irrespective of whether the participation of the trader is mandatory or not.</u></p> <p>To encourage traders' participation in the ADR procedures and to ensure due and swift ADR procedures, traders should be required, <del>especially in cases where their participation is not compulsory, to respond to reply</del> within a specific period to enquiries made by ADR entities on whether</p>
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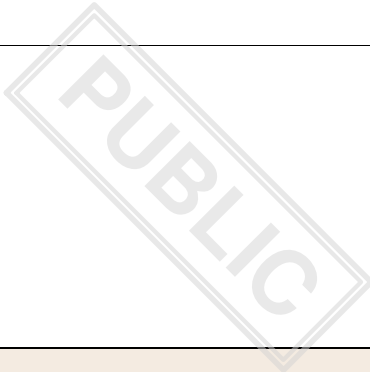
they **intend agree** to participate **to** **in** the proposed procedure.

**The aim of the duty to reply is to engage traders to participate in the ADR procedures and to ensure that ADR entities and consumers know whether or not the trader will participate in the procedure.**

**However, the trader's reply should not be required when the applicable law provides for the mandatory participation in the ADR procedure or when the trader is contractually obliged to participate in the ADR procedure.**

**This is without prejudice to any procedural rules that allow ADR entities to close the ADR procedure when the trader is not participating in that procedure within the time periods set by this Directive. The trader's reply should also not be required when the ADR entity is entitled to reach an outcome even if the trader did not participate in the procedure.**

**The consumer should be informed of the extension of the time period**



				<p><u>given to the trader to reply, if applicable.</u></p> <p>Follow-up to the second trilogue and tech meeting 22/05: Part of the discussion on duty to reply. Council to check with MS and come back</p>
Recital 13a				
22a		<p><u>(13a) In order to ensure that consumers can expect full independence and impartiality, as provided for in this Directive, when dealing with all types of ADR entities, including ADR entities where the natural persons in charge of dispute resolution are employed or remunerated exclusively by the individual trader, also commonly referred to as ‘in-house’ ADR entities, such ADR entities should only have access to data strictly related to the case and explicitly provided by the trader or the consumer.</u></p>	<p><u>(13a) The time period for the trader to inform the ADR entity whether or not they intend to participate in the ADR procedure should be, in principle, no more than 20 working days. However, in certain exceptional cases of a complex nature or in exceptional circumstances, the ADR entity should be entitled to extend that time period in order to give the trader the opportunity to analyse the dispute thoroughly and to choose whether or not they want to participate in an ADR procedure. In any case, that time period should not exceed 40 working days. The consumer should be informed of the time period given to the trader to reply and of any extension of it. Following the</u></p>	<p><u>(13a) The time period for the trader to inform the ADR entity whether or not it intends to participate in the ADR procedure should be, in principle, no more than XXX working days. However, in certain exceptional cases of a complex nature or in exceptional circumstances, the ADR entity should be entitled to extend that time period in order to give the trader the opportunity to analyse the dispute thoroughly and to choose whether or not it wants to participate in an ADR procedure. In any case, that time period should not exceed XXX working days. The consumer should be informed of the extension of the deadline to reply, if applicable . If a trader fails to reply to the ADR entity within</u></p>

			<p><u>expiry of the deadline, if the trader has not replied, the ADR entity can consider the non-reply as a refusal of the trader to participate. The consequences for the non-compliance of the trader with his duty to reply should be set out in the national legislation of the Member States.</u></p>	<p><u>the prescribed deadline, that ADR entity <del>can</del> may consider the non-reply as a refusal of the trader to participate, close the case and inform the consumer accordingly.</u></p> <p>Follow-up to the second trilogue and tech meeting 22/05: Part of the discussion on duty to reply. Council to check with MS and come back</p>
Article 1, first paragraph, point (3)(d)				
57	(d) the following paragraph 8 is added:	(d) the following paragraph 8 is added:	(d) the following paragraph 8 is added:	(d) the following paragraph 8 is added:
Article 1, first paragraph, point (3)(d), amending provision, numbered paragraph (8)				
58	<p>8. Member States shall ensure that traders established in their territories that are contacted by an ADR entity from their country or from another Member State, inform that ADR entity whether, or not, they accept to participate in the proposed procedure and reply within a reasonable period of</p>	<p>8. Member States shall ensure that traders established in their territories that are contacted by an ADR entity from their <del>country</del><u>own Member State</u> or from another Member State, inform that ADR entity whether, or not, they accept to participate in the proposed procedure and reply within a reasonable period</p>	<p>8. Member States shall ensure that traders established in their territories that are contacted by an ADR entity from their country <del>or from another Member State</del>, inform that ADR entity whether, or not, they accept to participate in the proposed procedure. <u>If a trader does not</u><del>and</del> reply <u>to the ADR</u></p>	<p>8. <u>Member States shall ensure that following the submission of the complaint by the consumer once an competent ADR entity decides to deal with consider a consumer complaint in accordance with its procedural rules, ADR entities that entity will contact and invite the trader concerned to participate in the</u></p>

	<p>time that shall not exceed 20 working days..</p>	<p>of time that shall not exceed <u>15 working days. However, an extension to this deadline up to a maximum of 20 working days may be granted in the case of complex disputes or as a result of exceptional circumstances, such as a period of high activity or an external crisis.</u></p>	<p><u>entity</u> within a reasonable period of time that shall not exceed 20 working days-<u>ADR entities shall have the right to presume that the trader has refused to participate in the procedure. The consequences of the failure to reply shall be set out in the national legislation. In the case of complex disputes or in exceptional circumstances, the relevant ADR entity may extend that time period, which cannot, however, exceed 40 working days. The consumer shall be informed by the ADR entity if the time period is extended.</u></p> <p><u>The first subparagraph shall not apply where the trader's participation is mandatory, or ADR outcomes can be reached without the trader's consent to participate, or where the trader has already committed contractually to use ADR entities to resolve disputes with consumers. In any event, if trader participation is not mandatory,</u></p>	<p><u>procedure, irrespective of whether the participation of the trader is mandatory or not.</u></p> <p>Member States shall ensure that traders established in their territories that are contacted by <del>an</del> <u>a competent</u> ADR entity <del>from their country or from another Member State</del>, inform that ADR entity whether, or not, they <del>accept</del> <u>agree</u> to participate in the proposed procedure.</p> <p><u>The trader shall <del>and</del> reply to the ADR entity</u> within a reasonable period of time, <del>which that</del> shall not exceed <del>20</del> <u>XXX working days.</u> <u>In the case of complex disputes or in exceptional circumstances, the relevant ADR entity may extend that time period, which in any event shall not exceed XXX working days.</u></p> <p><u>The ADR entity shall inform the consumer of the extension of the deadline to reply, if applicable.</u></p> <p><u>When the trader fails to reply within the time period set out in the second subparagraph, the</u></p>
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the ADR entity shall at least contact and invite the trader to participate.

ADR entity may presume that the trader has refused to participate in the procedure, shall may close the case and inform the consumer accordingly. Member States may set out other consequences of the failure to reply in the national legislation.

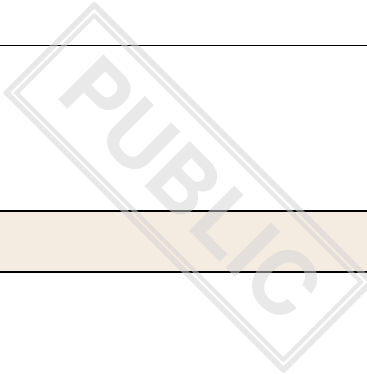
The duty to reply referred to in the first subparagraph shall not apply in the following cases:

(a) where the trader's participation is mandatory;

(b) where ADR outcomes can be reached without the trader's consent to participate; or

(c) where the trader is already committed contractually to use ADR entities to resolve disputes with consumers.

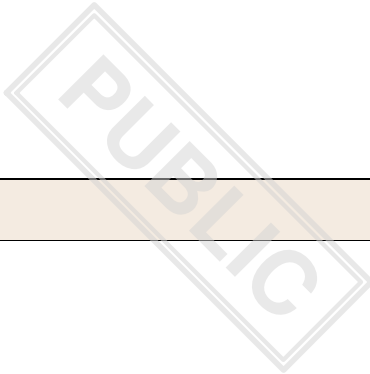
Tech meeting 07/03 - EP to check with legal service



				Follow-up to the second trilogue and tech meeting 22/05: Council to check with MS and come back
Article 1, first paragraph, point (8a)				
78b		<u>(8a) Article 21 is replaced by the following:</u>		
Article 1, first paragraph, point (8a), amending provision, Article				
78c		<u>Article 21</u>  <u>Penalties</u>		<u>Article</u>  <u>deleted</u>  Follow-up to second trilogue and tech meeting 22/05: Part of the discussion on the duty to reply. Council to check with MS and come back (it does not mean that the current Art. 21 of existing Directive will be deleted. Current Directive remains unchanged).
Article 1, first paragraph, point (8a), amending provision, Article, first paragraph				
78d		<u>Member States shall lay down rules on penalties applicable to</u>		<u>deleted</u>



### 3. Incentives



Article 1, first paragraph, point (4b)

62f		<p><u>(4b) The following article is inserted:</u></p>		<p><u>(4b) deleted (and replaced with the text on positive incentives)</u></p> <p><u>Recital:</u></p> <p><u>(X)</u></p> <p><u>Member States should <del>take</del> have in place measures at least one measure promoting participation of the traders and consumers in the alternative dispute resolution procedures. Such measures could be of financial or non-financial nature. Measures of non-financial nature could, for example, include information campaigns participation certificates, publication of information on traders who systematically comply with the outcome of ADR</u></p>
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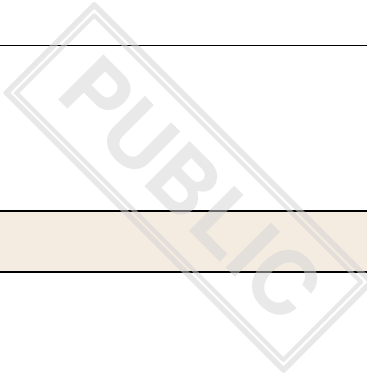


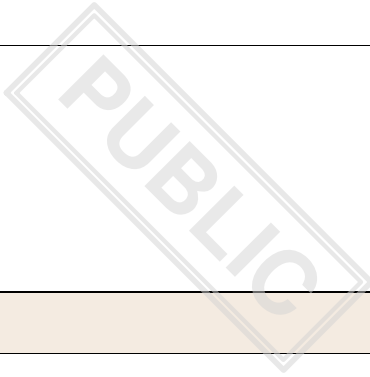
procedures. Measures of financial nature could, for example, take the form of preferential fee or treatment for compliant traders, participation without any cost for traders, reimbursement of the costs for a specific number of ADR procedures to facilitate familiarization with their benefits, provision of employees training schemes and co-financing the creation of sectorial alternative dispute resolution entities.

Article X

1. Member States shall take have in place at least one measure ~~measures~~ to promote the participation of traders and consumers in the alternative dispute resolution procedures.

Follow-up to the trilogue and tech meeting 22/05: Council to check with Member States and

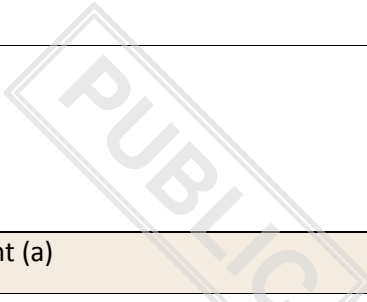




## 4. IT tool/machine translation

Article 1, first paragraph, point (6), amending provision, numbered paragraph (1a)


67a		<p><u>1a. Member States shall ensure that consumers can carry out cross-border ADR procedures in an official language of the Member State in which they are resident.</u></p>		<p>deleted</p> <p>Tech meeting 30/04: Replace the initial EP provision by a new provision in Article 5, as follows:</p> <p>Article 5</p> <p>Access to ADR entities and ADR procedures</p> <p>2. Member States shall ensure that ADR entities</p> <p>(g) are able to use machine translation tools to support ADR procedures where the language of the procedure is different from the language of the consumer</p> <p>Insert in Article 20. paragraph 9 (line 78-78a?):</p> <p>Competent authorities shall inform contact points and ADR entities of the machine</p>
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				translation function referred to in paragraph 8. <i>Light Green</i>
Article 1, first paragraph, point (6), amending provision, numbered paragraph (3), point (a)				
570	(a) assisting with the submission of the complaint and, where appropriate, relevant documentation;	(a) assisting with the submission of the complaint and, where appropriate, relevant documentation;	(a) <del>assisting with</del> <u>providing relevant information concerning</u> the submission of the complaint and, <del>where appropriate, relevant documentation</del> <u>the competent ADR entity</u> ;	(a) <u>assisting with</u> <del>assisting with</del> the submission of the complaint and, where appropriate, relevant documentation;  Tech meeting 07/04: insert "assisting with" but COM to propose a recital explaining that it means providing relevant information  Tech meeting 20/03: EP to check the issue of providing/assisting.  Tech meeting 13/03 - COM to come up with a proposal
Article 1, first paragraph, point (6), amending provision, numbered paragraph (3), point (aa)				



	<p>interactive tool that provides general information on consumer redress and links to the webpages of the ADR entities notified to it in accordance with paragraph 2 of this Article..</p>	<p><u><i>friendly</i></u> digital interactive tool that provides general information on consumer redress, <u><i>practical information about how consumers can avail themselves of ADR procedures in a cross-border context</i></u> and links to the webpages of the ADR entities notified to it in accordance with paragraph 2 of this Article, <u><i>directing consumers to a competent body to resolve their disputes.</i></u></p>	<p>the Commission shall develop <del>and maintain</del> a digital interactive tool that provides general information on consumer redress and links to <u><i>information on consumer rights.</i></u> <del>The tool shall also host the list</del> <u><i>the webpages</i></u> of the ADR entities notified to it in accordance with paragraph <del>24</del> <u><i>2</i></u> of this Article, <del>and of the ADR contact points notified under Article 14(2) of this Directive, including the links to the relevant websites.</del> <u><i>The Commission shall thereafter promote this interactive tool and ensure its technical maintenance, including the availability of the machine translation to the ADR entities and ADR contact points free of charge</i></u></p>	<p>The Commission shall develop <del>and maintain</del> <u><i>a user-friendly</i></u> digital interactive tool that provides <del>general</del> information on consumer redress, <u><i>including practical guidance on using ADR in cross-border context, as well as</i></u> <del>and</del> links to <u><i>information on consumer rights.</i></u></p> <p><del>The tool shall also host the list</del> <u><i>the webpages</i></u> of the ADR entities notified to it in accordance with paragraph <del>4</del> <u><i>[to check – now paragraph 2]</i></u> of this Article, <del>and of the ADR contact points notified under Article 14(2) of this Directive, including the link to their websites.</del></p> <p><u><i>The Commission shall promote this interactive tool and ensure its technical maintenance. The tool shall include a machine translation function available to the ADR entities and the ADR contact points free of charge.</i></u></p> <p><u><i>Member States are encouraged to provide a prominent link to this Commission tool on any national websites serving a similar purpose.</i></u></p>
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				<p>Tech meeting 20/03: Council to check with MS</p> <p>Tech meeting 13/03 - COM to come up with a proposal to merge the 2 positions</p>
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## 5. Unfair commercial practices

Article 1, first paragraph, point (6b)				
75c		<u><i>(6b) In Article 17, paragraph 2 is replaced by the following:</i></u>		<u><i>(6b) In Article 17, paragraph 2 is replaced by the following:</i></u>
Article 1, first paragraph, point (6b), amending provision, first paragraph				
75d		<u><i>2. This cooperation shall in particular include mutual exchange of information on practices in specific business sectors about which consumers have repeatedly lodged</i></u>		<u><i>Art 7(1) (green)</i></u> <u><i>Transparency</i></u> <u><i>1. Member States shall ensure that ADR entities make publicly available on their websites, on a</i></u>



complaints. It shall also, where appropriate, include an obligation for ADR entities to direct consumers to the national authorities referred to in paragraph 1 whenever they report unfair commercial practices. In addition, it shall also, where appropriate, include an obligation on ADR entities to report unfair commercial practices and terms and conditions to those national authorities whenever they become aware of them. It shall also include the provision of technical assessment and information by such national authorities to ADR entities where such assessment or information is necessary for the handling of individual disputes and is already available.

New words are "It shall also... become aware of them".

lasting medium upon request, and by any other means they consider appropriate, clear and easily understandable information on: (...)

(p) [if applicable,] contact information of national authorities enforcing Union and national legal acts on unfair commercial practices and terms.

Art 17(2) : COM proposal

2. This cooperation shall in particular include mutual exchange of information on practices in specific business sectors about which consumers have repeatedly lodged complaints, including on unfair commercial practices or terms . It shall also include the provision of technical assessment and information by such national authorities to ADR entities where such assessment or information



		<p>Otherwise, unchanged from Dir. 2013/11/EU.</p>		<p><u><i>is necessary for the handling of individual disputes and is already available.</i></u></p> <p>Recital (to be added in line 23c):</p> <p><u><i>A swift cooperation between the different actors involved in the enforcement of consumer rights is crucial to ensure the overall consistency and coherence of the consumer enforcement system.</i></u></p> <p>The cooperation between ADR entities and national authorities entrusted with the enforcement of Union legal acts on consumer protection should also include mutual exchange of information on practices in specific business sectors, for example unfair commercial practices or terms, about which consumers have repeatedly lodged complaints. For the avoidance of doubt, ADR entities are not competent to decide whether a practice described in consumer complaints constitutes an unfair commercial practice, so they would inform</p>
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				<p>about potentially unfair commercial practices and terms.</p> <p>Follow-up to the second trilogue and tech meeting 22/05: Council to check the above text and come back</p>
Article 1, first paragraph, point (6c)				
75e		<p><u>(6c) In Article 17, the following paragraph 5 is added:</u></p>		<p><u>(6c) In Article 17, the following paragraph 5 is added:</u></p>
Article 1, first paragraph, point (6c), amending provision, first paragraph				
75f		<p><u>5. When an unfair commercial practice is brought to the attention of the ADR entity by a consumer, the principle of confidentiality shall not apply. If there are credible reasons to suspect that such a practice has occurred, the ADR entity shall</u></p>		<p><u>5. When an unfair commercial practice is brought to the attention of the ADR entity by a consumer, and if there are credible reasons to suspect that such a practice has occurred, the ADR entity shall inform the national authorities enforcing</u></p>

		<u>inform the national competent authority thereof, and, if appropriate, shall keep it informed about the outcome of the dispute.</u>	PUBLIC	<del><u>Union and national legal acts on consumer protection thereof, and, if appropriate, shall keep it informed about the outcome of the dispute.</u></del>  Follow-up to the second trilogue and tech meeting 22/05: Council to check the text in line 75d and come back. If ok, this text can be deleted.
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## 6. Necessary checks

77b		<u>Competent Authorities shall conduct regular checks into the functioning and activities of the ADR entities to monitor compliance with the requirements of this Directive.</u>	<u>6. By 9 July 2018, and by 1 November every four years thereafter, each competent authority shall publish and send to the Commission a report on the development and functioning of ADR entities.</u>	<u>6. By 9 July 2018, and by 1 November every four years thereafter, each competent authority shall publish and send to the Commission a report on the development and functioning of ADR entities.</u>
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PUBLIC

Additionally, competent authorities shall conduct necessary checks on into the functioning and activities of the ADR entities to monitor compliance with the requirements of this Directive.

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Tech meeting 22/05: Council suggestion to replace "regular" with "necessary".

Council to prepare recital to explain what "necessary" is.

Recital (14b/c?)

To ensure that ADR entities function properly and effectively, competent authorities should conduct necessary checks on the functioning and activities of the ADR entities in order to monitor compliance with the requirements of this Directive as and when appropriate, e.g. when

			<p>PUBLIC</p>	<p>they receive founded complaints by a party of an ADR procedure that give cause for concern as to a systematic non-compliance of an ADR entity with the requirements of this Directive. Competent authorities may determine the frequency and scope of these checks taking into account, in particular, previous compliance with the directive and known information on potential shortcomings.</p>
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