



EUROPEAN COMMISSION

Directorate General Internal Market and Services
Director General

Brussels, **23. 07. 2014**
Markt E1/EV/gc ARES(2014) 2687051

Dear Madam, Dear Sir,

In 2012 the Commission published a guidance document on the application of Article 20(2) of Directive 2006/123/EC on services in the internal market ('the Services Directive'), concerning unjustified discrimination of consumers on the basis of nationality or residence.

This guidance document is supported by Member States. It is of particular relevance for the car rental industry in Europe since many consumers rent cars on a cross-border basis. The Commission regularly receives complaints from consumers who, because of their country of residence, are not able to access the most attractive price when booking online within the European Union or in a country belonging to the European Economic Area.

DG Internal Market and Services has already had discussions with the car rental industry to address such complaints. A number of meetings took place in 2011 between my staff and Leaseurope, your representative organisation at EU level. We had hoped that unjustified discriminatory activities might have ceased. It appears, however, that this is not the case.

Against this background, therefore, I would urge you to change your current practices immediately.

Our concern is the methods used by the car rental industry in Europe to prevent consumers from getting the best price. This includes automatic rerouting following the identification of the consumer's IP address. The IP address may also prevent the consumer from completing any booking online. Alternatively, with no rerouting, the consumer may be given a different price after having entered his/her country of residence on the website of the car rental company concerned. In a recent case when booking through the webpage of the national branch of a large car rental company, a consumer witnessed a 100% price increase once he had entered his residence in another Member State.

The Commission will therefore continue to scrutinise carefully the operation of the car rental sector. It will without delay send relevant complaints to the competent authorities in the Member States responsible for the implementation of the Services Directive and invite them to take action against the companies concerned.

I would urge you to change these practices, which pose a significant problem under Article 20 (2) of the Services Directive, and I look forward to receiving confirmation from you within the next two weeks that you will review your practices in a comprehensive and effective way.

Since our previous requests to comply fully with EU law have not been followed up satisfactorily, in the absence of a reply within this deadline, I intend, in the interest of consumers, to make this letter public.

Yours faithfully,

A handwritten signature in black ink, appearing to read 'Jonathan FAULL', written in a cursive style.

Jonathan FAULL

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