



The Consumer Voice in Europe

BEUC and Ecommerce Europe joint call to reject CESL

Joint letter sent to all Members of the European Parliament on 20/02/2014

Contact: Ursula Pachl – <u>consumercontracts@beuc.eu</u> Ref.: BEUC-X-2014-009 - 20/02/2014





Brussels, 20 February 2014

Joint call by consumers' organisations and e-commerce businesses to reject the Commission's proposal for a Common European Sales Law regulation

Dear Member of the European Parliament,

On behalf of BEUC, the European Consumer Organization, which represents 41 national consumer associations across Europe and Ecommerce Europe, which represents more than 4,000 companies who sell products and services online to consumers throughout Europe, we hereby call on you to reject the proposed instrument and to vote against the report on the Common European Sales Law recommended by the Legal Affairs Committee (by rapporteurs Klaus-Heiner Lehne and Luigi Berlinguer).

While both our organizations are naturally fully committed to improving the Single Market and in particular online cross-border transactions for consumers and SMEs, consumer associations and the e-commerce industry - the alleged beneficiaries of this instrument - agree that the Common European Sales Law proposal will only generate confusion, increase legal complexity and uncertainty and transaction costs. It would undermine existing rules on private international law and as well as consumer protection standards in a number of countries and thus damage the confidence of both consumers and companies when engaging in e-commerce transactions.

We also agree that the limitation of the scope as proposed by the Legal Affairs Committee would not bring any added value to consumers or businesses. On the contrary, an instrument limited to distance cross-border contracts would lead to duplication of already existing EU law and thus to further complication of the legal environment.

Other obstacles than contract law currently prevent consumers and companies from benefitting from the Digital Single Market. They include the difficulties small businesses have in accessing national markets due to administrative barriers, differences in tax regimes, cultural barriers such as language and digital literacy, low levels of broadband penetration, territorial limitations of intellectual property rights laws, a lack of effective redress tools for consumers and an absence of or difficulties to use e-payment systems. The EU institutions should focus their resources on tackling these real and major problems.

Furthermore we draw your attention to the fact that the current European Parliament has already approved and enhanced the Consumer Rights Directive, which harmonizes key areas of e-commerce transactions (e.g. pre-contractual information, formal requirements for contracts, the right of withdrawal, delivery, the passing of risk, etc.). The Directive will be applicable across all Member States by June 2014. This new European legislation further regulates cross-border online commerce for businesses, while providing robust protection standards and thus prompting greater consumer confidence in online commerce.







E-commerce is growing fast in Europe. Consumers and online retailers need practical solutions to real problems. Clear and targeted rules, not more complexity and confusion are what we expect from the European legislators.

Given the already very advanced level of EU harmonization on consumer contract law plus the traders' possibilities under the Rome I regulation to choose the applicable law, we think that CESL as an additional EU applicable law system is unnecessary and not attractive either for business or for consumers.

We urge you therefore **to REJECT the proposed Common European Sales Law** and to ask the European Commission to firstly assess the functioning of the Consumer Rights Directive and then to continue where necessary with further consumer contract law harmonization, which should be targeted to the very few remaining areas and which should not be "optional" law.

We remain at your disposal for any further information or clarification you might request.

Yours sincerely,

Peter Vicary-Smith President BEUC

François Momboisse President Ecommerce Europe