



AN 'OPTIONAL INSTRUMENT' IS NOT WHAT CONSUMERS AND SMEs NEED

Plenary vote 8th June - Wallis report

(Joint letter with UEAPME & CNUE sent to the MEPs on 1st June 2011)

Contact: Ursula Pachl – consumercontracts@beuc.eu

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BEUC, the European Consumers' Organisation

80 rue d'Arlon, 1040 Bruxelles - +32 2 743 15 90 - www.beuc.eu

 EC register for interest representatives: identification number 9505781573-45 

Dear Member of the European Parliament,

Next Wednesday 8th June, you will vote on the report of the Legal Affairs Committee¹ on European contract law for consumers and businesses. This report (rapporteur Ms. Diana Wallis) recommends the introduction of a so-called 'optional instrument' for contract law. BEUC, the European Consumers' Organisation which represents 42 national consumer associations across Europe; UEAPME, The European Association of Craft, Small and Medium-Sized Enterprises, which is the voice of SMEs in Europe; and European Notaries (CNUE), would like to express their joint concerns in relation to this initiative.

We are committed to supporting the European Parliament's endeavour to improve the functioning of the Single Market and to ease cross-border transactions for consumers and for SMEs. However, we consider that **an Optional Instrument for consumer contracts will not provide added value - neither to consumers nor SMEs - but will rather have a negative impact on the development of the Internal Market and on consumer and SME confidence to engage in cross-border transactions.**

Moreover, as we indicated in our responses to the Commission's Green Paper, diverging rules of national contract laws are not a significant problem for business when engaging in cross-border trade and definitely do not influence consumers' attitude in relation to buying from another Member State.

There are other *real* and major obstacles which currently prevent consumers and SMEs benefitting from the Internal Market e.g. difficulties for small businesses to access national markets due to administrative barriers, differences in tax regimes, cultural barriers such as language and digital literacy, low level of broadband penetration, territorial limitations of intellectual property laws, lack of effective means of redress for consumers, no or difficult access to means of e-payment. In addition, many consumers simply prefer local shops.

Our organisations underline that in this process, the views of the stakeholders most concerned by the Commission's initiative – consumers and SMEs - have not been properly heard. We strongly urge you to take a more considered and evidence oriented approach which ensures priority and resources are given to measures which really make a difference for consumers and SMEs, rather than high-flying academic ideas which will not solve the real problems of citizens.

Yours sincerely,

Monique Goyens
BEUC Director
General

Andrea Benassi
UEAPME Secretary
General

Rudolf Kaindl
European Notaries
(CNUE)

¹ Committee on Internal Market and Consumer Protection (IMCO) acting as an associated committee (Rule 50 of the Rules of Procedure) and the Committee on Economic and Monetary Affairs (ECON) as an opinion committee.