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Consumer Rights Directive 'under repair' in European Parliament

Yesterday evening's vote in the European Parliament saw moves in the right direction for the proposed European Consumer Rights Directive. The vote by the lead committee (Internal Market & Consumer Protection) heeded calls by BEUC to prevent 'maximum harmonisation' of all main consumer rights in Europe.

As the EU revises rules on everyday consumer laws such as information before purchase, right of withdrawal, guarantees and delivery, BEUC has consistently called for a 'mixed approach'¹ and is glad to see this emerge through much of the vote.

Positive developments were chiefly with 'distance selling' contracts (e.g. online, mail order or via catalogue) and include a 14-day withdrawal period for purchases; return costs for goods valued higher than \in 40 to be borne by trader; new information requirements for all transactions in a real shop or online; and new information rules for digital products. However, in the sensitive field of door-step selling, the vote was of significant disappointment as will lead to a decrease of consumer protection. Therefore, a clear need exists for improvement when the whole European Parliament votes at plenary, to give meaningful protection to consumers who buy 'off-premises', e.g. granting the right to receive information on paper.

Monique Goyens, Director General of the European Consumers' Organisation (BEUC) said:

"There was previously a significant risk of a decrease in many aspects of consumer protection. However, we are relieved to see the Parliament begin to steer this Directive away from its original destination of simply breaking down barriers for business and more towards securing and improving protections for consumers.

Nonetheless, it remains unfortunate that the adopted text would be detrimental for consumers in off-premises contracts and that the Parliament has not taken the opportunity to strengthen protection on frequently encountered issues with legal guarantees. We are pleased to see the MEPs committed to adding value for consumers to this Directive, but this crucial legislation has yet to earn its name."

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¹ i.e. using minimum harmonisation for most provisions and maximum for less sensitive sections. Minimum harmonisation requires national consumer laws to match the EU standard and allows Members States to exceed it if desired. The risk of maximum harmonisation is self evident: it would be reductive by obliging countries with a high level of consumer protection to drop back to an aggregate EU level and restrictive by then preventing them from going further.