

COMMUNIQUE DE PRESSE PRESS RELEASE

Contact: John Phelan: +32 (0)2 789 24 01

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New "optional" EU Sales law makes consumer protection a guessing game

BEUC, the European Consumers' Organisation has strong concerns about the European Commission's proposal of an "optional" Common Sales Law due on Tuesday, October 11.

The Commission state that EU cross-border shopping levels are too low and the key reasons are the differences between national contract laws for consumer contracts. Therefore this controversial new European Sales law, which would operate in parallel to longstanding national laws, has been claimed to be the solution.

However, no clear evidence has been shown to justify this. The Commission's own surveys recently found that the major reasons for why EU consumers are not buying more often across borders are practical, not legal. 62% of consumers cited fears of fraud, 59% feared what to do if problems arose and 49% were concerned about delivery. In addition, 79% of traders say harmonised contract law would make little or no difference to their business.

The Commission will present this Sales Law as an 'Optional Instrument'. What is crucial however is that for b2c contracts (business to consumer, as opposed to b2b: business to business) this choice of law would be 'optional' only for the business to offer, not for the consumer to always choose. In practice it would:

- Generate confusion instead of simplification for consumers and SMEs as to the rules for cross-border (and potentially domestic) purchases
- If the eventual level of protection is very high, then consumers will not benefit as business will not offer its
 use
- If the level of protection is lowered to make it attractive for business, consumer rights in many countries will be reduced

Monique Goyens, Director General of the European Consumers' Organisation commented:

"We do not support this experimental and risky regulation as it would put business in the driving seat and allow the imposition of a lower level of protection than in the consumer's country. It is all the more puzzling in the very week of the adoption of the EU Consumer Rights Directive which already harmonises most aspects of b2c online contracts.

"By introducing an EU 'law' which is optional for businesses, the national law then becomes merely optional also. This parallel system would increase market uncertainty, confuse consumers and decrease confidence.

"SMEs have already expressed their fundamental scepticism of this proposed tool's chances of enhancing their cross-border activity. It begs the question: when both Europe's consumers and SMEs have strong reservations, why is this law being pushed regardless?"

ENDS

Please find attached the BEUC's Press Pack.

BEUC, the European Consumers' Organisation +32 2 789 24 01 - press@beuc.eu Want to know more about BEUC? Visit www.beuc.eu www.twitter.com/beuctweet

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