

# The reform of EU consumer contract law

The EU project to harmonise consumer contractual law across the EU

**Giuseppe Abbamonte**  
**Head of Unit**

B2 – Consumer contract and marketing law

**Health and Consumers Directorate General, European Commission**

# The reform of EU consumer law

## The issue:

- EU consumer law is fragmented and outdated;
- The cause of the fragmentation are the minimum harmonisation clauses in the directives.
- Business feel the effects of the fragmentation because of the conflict of law rules (Rome I);
- Consumers are subject to different levels of protection across the EU, and this affects their confidence in the Internal Market.

# Scope of the reform

- Consumer Sales
- Unfair Contract Terms
- Distance Selling
- Doorstep Selling
- Package Travel
- Timeshare (proposal in 2007)
- Price Indication
- Injunctions

# The objectives of the Reform

- Removing regulatory barriers to the completion of the Internal Market
- Improving and up-dating the EU consumer regulatory framework

# How to achieve these objectives?

- Full v. minimum harmonisation;
- Rationalisation (coherent regulation of commonalities) and modernisation (e.g. e-auctions);
- Information campaigns, self regulation.

## Our vision

- We want to be able to tell consumers that they can shop with confidence in the Internal Market because their rights are the same across the EU ;
- We want to enable business to trade on the basis of one single set of contractual terms across the EU.

# The current consumer rights

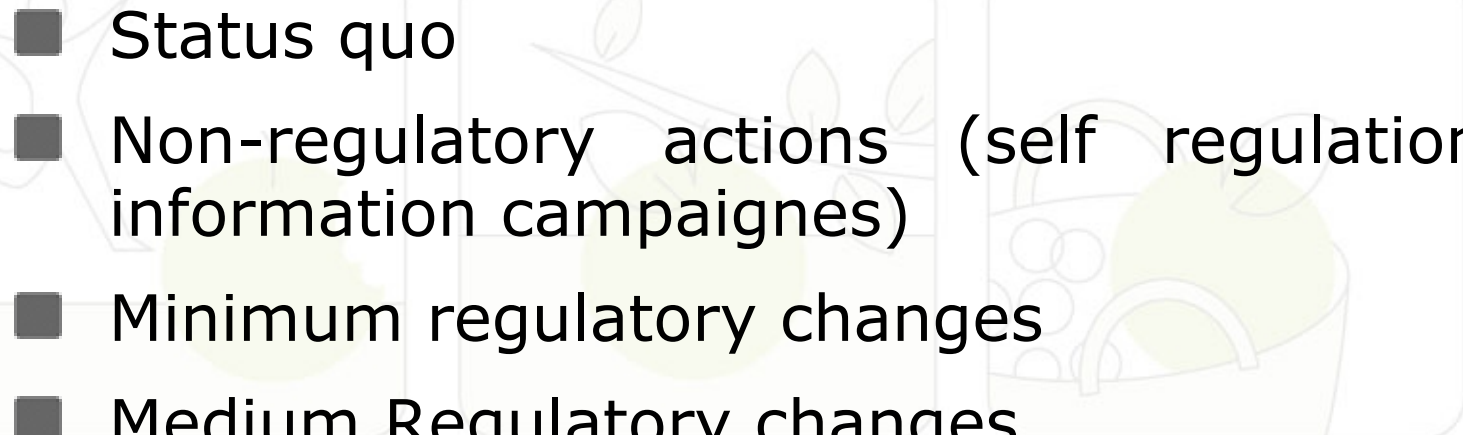
- Right to information
- Right of withdrawal
- Defective products, legal guarantee
- Unfair contract terms

# The Impact Assessment

- Problem definition: incomplete B2C Internal Market
  - Business reluctance to trade crossborder
  - Consumers have little confidence in crossborder shopping

# Policy Options

## ■ 6 Policy Options:

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- Status quo
  - Non-regulatory actions (self regulation, information campaigns)
  - Minimum regulatory changes
  - Medium Regulatory changes
  - Maximum regulatory changes
  - Full harmonisation + Internal market clause

# The preferred Policy Option

- Clear definitions (e.g. distance contracts, off-premises contracts, durable medium)
- New rules on delivery and transfer of risk;
- Regulation of right of withdrawal;
- Remedies if product defective;
- Unfair terms/small print.

# Way forward

- A proposal for the Framework Directive on consumer contractual rights to be adopted by the end of 2008.



**Thank you  
for your  
attention**