Contracts for online and other distance sales of goods

SUMMARY

The Commission proposal for a directive on contracts for online and other distance sales of goods, part of the digital single market strategy, would partly replace the existing Consumer Sales Directive. The Parliament’s rapporteur believes this would create a fragmented legal framework, and that there is a need to introduce uniform rules for both online and face-to-face consumer sales. Unlike the existing Consumer Sales Directive, the proposed Online Sale of Goods Directive would provide for maximum harmonisation, thereby prohibiting Member States from introducing a higher level of consumer protection within the scope of the directive. The rapporteur agrees with this approach and suggests moving to maximum harmonisation for both online and offline consumer sales.

Proposal for a Directive of the European Parliament and of the Council on certain aspects concerning contracts for the online and other distance sales of goods

<table>
<thead>
<tr>
<th>Committee responsible:</th>
<th>Internal Market and Consumer Protection (IMCO)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rapporteur:</td>
<td>Pascal Arimont (EPP, Belgium)</td>
</tr>
<tr>
<td>Shadow rapporteurs:</td>
<td>Lucy Anderson (S&amp;D, United Kingdom)</td>
</tr>
<tr>
<td></td>
<td>Anneleen van Bossuyt (ECR, Belgium)</td>
</tr>
<tr>
<td></td>
<td>Kaja Kallas (ALDE, Estonia)</td>
</tr>
<tr>
<td></td>
<td>Dennis De Jong (GUE/NGL, the Netherlands)</td>
</tr>
<tr>
<td></td>
<td>Pascal Durand (Greens/EFA, France)</td>
</tr>
<tr>
<td></td>
<td>Marco Zullo (EFDD, Italy)</td>
</tr>
<tr>
<td></td>
<td>Mylène Troszczyński (ENF, France)</td>
</tr>
</tbody>
</table>

COM(2015) 635
9.12.2015
2015/0288(COD)
Ordinary legislative procedure (COD)
(Parliament and Council on equal footing – formerly ‘co-decision’)

Next steps expected: Adoption of committee report

EPRS | European Parliamentary Research Service
Author: Rafał Mańko
Members' Research Service
PE 599.286
Introduction
In December 2015, the Commission proposed a directive on contracts for online and other distance sales of goods (the Online Sale of Goods Directive). This would partially replace the existing Consumer Sales Directive with regard to distance sales (both online and offline). Unlike the Consumer Sales Directive, the proposed Online Sale of Goods Directive would provide for maximum (total) harmonisation, thereby prohibiting Member States from introducing a higher level of consumer protection within the scope of the directive. The proposed Online Sale of Goods directive is part of the digital single market (DSM) strategy, and is accompanied by several other proposed legal instruments, notably the proposed Digital Content Directive [2015/0287(COD)] and the Portability of Digital Content Directive [2015/0284 (COD)]. Although, legally speaking, the proposal is new, in political terms it aims to replace the 2011 proposal for a Common European Sales Law (CESL), in line with the commitment made by the Juncker Commission in December 2015.

Context
The political and legal context of the current proposal is the former CESL proposal. Tabled by the Commission in 2011, it was intended to become an ‘optional code’ on sales law that parties would be able to choose to govern a specific contract instead of national law. Technically, the CESL was to have the legal form of a regulation, applicable directly (without transposition) and in the same wording across the EU. The CESL was to be available for cross-border consumer contracts, as well as contracts between SMEs and large companies. Although it finally received backing in Parliament (subject to numerous amendments) it never met with the Council’s approval.

Existing situation
At present, four EU directives are concerned with online (and other distance) sales of consumer goods: the Consumer Sales Directive (CSD), the Consumer Rights Directive, the Unfair Terms Directive, and the e-Commerce Directive. All four, with the exception of the Consumer Rights Directive, are minimum harmonisation instruments, which means that they set only minimum standards of consumer protection, leaving Member States the right to maintain or adopt more consumer-friendly implementing provisions if they wish.

Consumer Sales Directive
The CSD applies (indiscriminately) to all consumer sales transactions (online/offline at a distance-face to face; cross-border/domestic). It addresses the issue of seller’s liability for defects in goods sold, introducing the concept of conformity with the contract and providing for remedies in the event of non-conformity (defectiveness). The deadline for pursuing remedies is set at two years from delivery of the goods, and during the first six months there is a reversed burden of proof in favour of the consumer. Remedies are divided into two groups – primary (repair or replacement) and secondary (price reduction or rescission of contract). The latter are available only if the primary remedies cannot be completed, or if the seller has failed to complete them in a timely manner and/or without significant inconvenience for the consumer. This provides for a hierarchy (cascade) of remedies. However, since the CSD is a minimum harmonisation instrument, the Member States may give consumers better rights, e.g. to terminate the contract immediately (e.g. the rejection of goods in UK law).
The Consumer Rights Directive
The Consumer Rights Directive is a maximum harmonisation directive which applies inter alia to consumer sales. With regard to distance and off-premises sales, it provides consumers with the right to terminate the contract within 14 days without giving reasons. It also regulates a number of information duties and formal requirements for the conclusion of the contract.

E-Commerce Directive
The e-Commerce Directive is a minimum harmonisation directive, which applies inter alia to online contracts, including contracts for the online sale of consumer goods. It sets out detailed information rights for parties concluding an electronic contract that are mandatory in the case of consumer contracts.

On-going REFIT exercise
All the above-mentioned directives are subject to the regulatory fitness check (REFIT) that is currently on-going. The Commission expects the external expert studies to be finalised by February 2017, and the final results of the REFIT for EU consumer law to be available in the second quarter of 2017.

The changes the proposal would bring

General issues
In essence, the proposed directive is a de facto recast of the CSD, but limited to online (and other distance) contracts only, and switched from minimum to maximum harmonisation. Most of the provisions in the proposal are taken over either from the existing CSD, or codify the case law of the Court of Justice of the European Union (CJEU) interpreting CSD rules.

Separate regimes for online and offline consumer sales
The entry into force of the proposed directive (which provides for total harmonisation) and the limitation of the existing CSD (which provides for minimum harmonisation) to face-to-face transactions could lead to a further fragmentation of contract law. This is because for face-to-face transactions Member States will be allowed to preserve their more consumer-friendly rules, whilst for online transactions they will have to stick precisely to the level provided for in the proposed directive.

Conformity of goods
Notion of conformity of goods
Under the CSD, goods have to be in conformity inter alia with the description given by the seller. The proposed directive introduces a direct reference to the content of the contract. Hence, the goods need to conform to the seller's description 'as required by the contract'. Likewise, only precontractual statements that are 'an integral part of the contract' are binding on the seller. With regard to contracts concluded at a distance and off-premises, the Consumer Rights Directive provides that the obligatory precontractual information given to the consumer is an integral part of the contract, unless the contracting parties expressly agree to alter it. However, whether any other precontractual information or statements become an integral part of the parties' contract depends on national law.

Legal defects
The proposal introduces a new rule on legal defects, requiring that conformity of the goods include that they must be free from any third-party rights, including intellectual property rights. This is a new rule that is not found in the CSD.
Relevant time for analysing non-conformity
The CSD currently in place stipulates that the relevant time for ascertaining non-conformity is the delivery of the goods. The new proposal provides for a more elaborate set of rules, depending on whether the goods were installed (e.g. in the consumer's house) by the seller or under their responsibility, and who delivered the goods (whether the carrier was chosen by the seller or by the consumer).

Presumption of non-conformity
The proposal significantly raises the level of consumer protection by extending the deadline during which the presumption of non-conformity operates. Under the CSD, only if the non-conformity appears within six months of delivery is it presumed that it was already present at delivery. The proposal would extend this period to two years.

Buyer's remedies against seller
Cascade system (hierarchy of remedies) for online sales
Unlike the withdrawn CESL proposal, the proposed directive upholds the 'hierarchy of remedies', whereby the consumer does not have a free choice between repair, replacement and refund, but must first accept repair or replacement (as chosen by the seller). Under the new proposal, there would be some differences, though. First of all, the consumer, if entitled to termination or reduction of price, would be allowed to terminate even if the defect were minor (under the CSD this is not possible).

Secondly, while under the CSD the consumer may terminate or demand a partial refund only if a repair/replacement is not available, or if the seller did not complete it within a reasonable time and without 'significant inconvenience' to the consumer, under the proposal the consumer would also have a right to demand a refund in two additional circumstances: if the seller declares that they will not complete a first-degree remedy in reasonable time or if it is clear from the circumstances that the seller will not complete such a remedy timeously. Thirdly, a new rule provides that consumers will not be entitled to a remedy to the extent that they themselves have caused the non-conformity or its effects.

Codification of CJEU case law
The proposal codifies the rules established by the CJEU in Joined Cases C-65/09 and C-98/09 Wittmer and Putz, whereby if goods had been installed in line with their nature and purpose, it is the seller who is duty-bound to cover the costs of their de- and re-installation. Likewise, the proposal codifies the rule established in Case C-404/06 Quelle AG whereby the consumer does not need to pay for the use they made of the defective goods prior to their return to the seller.

Consumer's right to withhold payment
The proposal introduces a new rule, not in the CSD, whereby in cases of non-conformity a consumer may withhold payment of any outstanding part of the price, for as long as the seller does not remedy the non-conformity.

Detailed rules on termination and refunds
The CSD lacks any detailed provisions on termination of contract. The proposal fills that gap with a number of detailed rules. Firstly, the seller must reimburse the price 'without undue delay' and no later than 14 days from receiving the notice of termination. The seller must also bear the costs of reimbursement (e.g. banking fees). Secondly, the proposal makes it clear that the consumer should send back the goods under the same timing conditions, and at the seller’s expense.
If only some goods are defective, and the consumer has a right to terminate the contract, he or she may do so only in relation to the defective goods and in relation to 'other goods, which the consumer acquired as an accessory' to the defective ones. Furthermore, two rules oblige the consumer to make payments to the seller in case of termination. Firstly, if the goods were destroyed or lost (even with no fault on the part of the consumer), they must – upon termination – pay to the seller the monetary value that the goods would have had on the date of return. Secondly, the consumer must also pay the seller for the decrease in the value of the goods if such a decrease exceeds 'regular use', but not more than the price originally paid.

**Time limits and deadlines**
Under the proposal the seller would be liable to the consumer if the non-conformity appears within two years of delivery. National law may not impose a shorter prescription period than two years from delivery. These two rules are the same as in the Consumer Sales Directive. What would change, however, is that the Member States will no longer be allowed to provide for an exception for second-hand goods (shorter period of liability). Furthermore, the period of liability of the seller will be identical to the timeframe of the presumption of non-conformity.

**Commercial guarantee**
The regime of the commercial guarantee is the only part of the proposed directive subject to minimum harmonisation only. Therefore, the Member States may enact rules providing for a higher level of consumer protection with respect to guarantees. Furthermore, under recital 14, Member States are explicitly allowed to fill in legal gaps with regard to guarantees.

The content of the commercial guarantee would be determined not only on the basis of the guarantee statement and associated advertising (as in the CSD), but also on the basis of precontractual information provided by the seller, including (but not limited to) precontractual statements that form an integral part of the contract. Owing to the variety of sources of the commercial guarantee, and potential conflicts between them, the proposal includes a new rule whereby if the guarantee statement (i.e. the document handed over to the consumer) is less advantageous than precontractual information or advertising, the conditions of the guarantee laid down in the precontractual information or advertising will prevail.

**Procedural and private international law issues**
The proposal introduces procedural rules whereby Member States must ensure that 'adequate and effective means' exist to ensure compliance with the directive. In particular, Member States must allow for an administrative or judicial procedure to be launched by certain bodies and organisations.

The CSD provides that Member States must ensure that consumers are not deprived of protection under the directive if the law applicable to the contract is the law of a non-Member State, although the contract in fact has a close connection with the EU. The proposal does not however contain any equivalent rule.

**Preparation of the proposal**
During summer 2015, the Commission conducted a public consultation in which stakeholders had the opportunity to answer a set of 22 detailed questions on the online sale of goods as part of a questionnaire devoted also to the supply of digital content. A
total of 189 stakeholders replied, and the Commission summarised their views in a brief document. The proposal was accompanied by an impact assessment.

Parliament’s starting position

Owing to the fact that the proposal is, in political terms, a replacement of the CESL proposal, Parliament’s position on CESL is particularly relevant. In 2013, the Legal Affairs Committee (JURI) adopted a report backing the CESL, and in particular the optional nature of the instrument and the legal form of a regulation. Importantly, the Parliament opted to limit the scope ratione materiae of CESL to distance contracts only. In its opinion the Internal Market Committee (IMCO), in turn, suggested changing the legal form of CESL from an optional code to a directive, which would harmonise certain aspects of the seller’s liability towards consumers, thereby supplementing the existing Consumer Rights Directive. The IMCO Committee had ‘fundamental doubts concerning the suitability of the Commission proposal’ and warned that CESL would only ‘complicate the legal situation and would disadvantage the consumer’. The Economic and Monetary Affairs Committee (ECON), meanwhile, stressed the political difficulties entailed by total harmonisation, and therefore supported an optional instrument. In February 2014, the Parliament adopted its legislative resolution on the CESL, proposing to limit the scope of the CESL to cross-border business-to-consumer transactions only.

Stakeholders’ views

Consumers

The European Consumer Organisation (BEUC) suggested expanding the criteria for conformity of goods to cover durability, to promote a green, circular economy in which goods have a certain minimum guaranteed lifetime. It supported a two-year period of reversed burden of proof (instead of six months under the CSD) and the removal of the consumer’s duty to notify non-conformity to the seller. They also advocated a free choice of remedies for consumers, instead of the hierarchy system of the CSD.

Businesses

UEAPME, the EU-wide SME federation, took the view that, before proposing a new instrument, the Commission should evaluate and review the Consumer Rights Directive. They warned against fragmentation of the legal regime and considered that full harmonisation of only a part of contract law does not solve the existing problems and reduces transparency of the legal regime. This is a problem especially for SMEs that do not have the means for legal advice on contract law. In contrast, UEAPME would prefer the country of origin principle for the trader, allowing sellers to sell abroad on the basis of their home law, which in their view would encourage traders to engage in e-commerce. A number of businesses and national business federations also supported the country of origin principle (‘sale like at home’ option). On the substance of online sales rules, UEAPME was against extending the period of reversal of burden of proof with regard to non-conformity, and supported maintaining the regime of remedies as provided for under the Consumer Sales Directive.

BusinessEurope, the EU-wide federation of national business interest representations, opted for full, targeted harmonisation of online sales rules. They warned against adopting different rules for offline and online sales, which would discriminate between businesses on the basis of the sales method. They supported upholding the existing hierarchy of remedies, with no free choice for consumers.
Legal practitioners

The Council of Bars and Law Societies of Europe pointed out that Article 6(1) of Rome I, which prohibits the choice of seller’s law in a consumer sale of goods transaction, is problematic, generates additional costs and dissuades traders from cross-border selling. They advocated covering all types of sale of goods (tangible and digital, business-to-business and consumer-to-consumer) in one instrument in order to avoid legal fragmentation. They would opt to take over the CESL system of remedies, which gave consumers a free choice between repair, replacement and refund.

In September 2015, the General Council of the Bar of England and Wales indicated that the consumer acquis, especially the CSD, should be updated to reflect the needs arising from the online purchase of tangible goods and digital content. In their view there is no need for a new instrument on contract law, especially given that the harmonisation of the buyer’s remedies is a politically difficult question. They underlined the need to bring more coordination between the consumer acquis and EU civil procedure instruments.

Legal scholars

Jan Smits observed that the proposal clarifies the exact content of many consumer rights already present in the existing Consumer Sales Directive. In his view, such clarifications should also be extended to face-to-face sales. He criticised the proposal for gearing the standard of conformity too much towards the subjective agreement of the parties (of which the consumer is the weaker one) rather than towards an objective standard. In his view, the introduction of maximum harmonisation will contribute to an overall higher level of protection across the Union, but some Member States will have to lower their level of protection. An unfortunate consequence thereof would be the fact that consumers of durable goods would not be able to pursue their remedies against sellers after the expiry of the two-year deadline.

Christiane Wendehorst considered that the online sales proposal takes a very traditional approach and does not take stock of the fact that the majority of goods will become so-called ‘smart’ goods, i.e. with embedded electronics, software and connectivity. In her view, a uniform EU consumer sales law must address these issues, considering that digital and non-digital are no longer ‘two worlds apart’ but are increasingly merging. Therefore, she made concrete proposals on how to tackle the digital aspects of goods within the Online Sales Directive proposal.

Hugh Beale pointed out that the Online Sales Directive clarifies in a useful manner a number of consumer rights existing under the Consumer Sales Directive. However, he pointed out that UK consumers would lose the immediate right to terminate and recover the price, and the right to damages for defects that appear only after two years. He also considered that the proposal has a narrow scope of application, leaving many questions still to be decided by unharmonised rules of national law. Therefore, businesses’ concerns about unknown foreign laws applicable to the transaction would still remain unaddressed. Finally, the choice of maximum harmonisation instead of an optional instrument (as CESL was intended) means, in his view, a greater degree of interference with national law.

Gianni Ballarani argued that the existing legal framework applicable to distance sales contracts is fragmented, and requires both an update and unification; in his view, the online sales law should be dealt with in a cross-border-only regulation, instead of a directive also applicable to domestic transactions. Rosa Milà Rafel criticised the proposal especially for fragmenting the rules regarding online and distance sales, on the
One hand, and face-to-face sales, on the other. Finally, Esther Arroyo Amayuelas pointed out that the online sale of goods proposal modifies only some contents of the existing Consumer Sales Directive, and does not depart from the existing framework. On the other hand, if it is enacted in its current form, it will lead to the creation of a dual legal regime for consumer sales (face-to-face v distance sales) which will create a risk of fragmentation in the internal market.

Advisory committees

In April 2016, the European Economic and Social Committee (EESC) adopted an opinion on the proposal (rapporteur: Jorge Pegado Liz, Portugal). The EESC criticised the choice of legal basis made by the Commission (Article 114 TFUE – harmonisation of laws affecting the Internal Market) and proposed to base it on Article 169 TFUE (consumer protection measures). Furthermore, the EESC is critical of the maximum harmonisation approach and would prefer minimum harmonisation instead. The EESC believes that the Commission should have waited for the outcome of the REFIT exercise on the Consumer Sales Directive before drafting the current legislative proposal. The dual nature of the sales regime (different rules for distance sales than for face-to-face sales) is, in the EESC’s view ‘unacceptable’. On the substance of the proposal, EESC would see the requirement of durability built into the definition of conformity, which would influence the duration of the seller’s liability for defects. The EESC pointed out that in various Member States (Greece, Portugal, Ireland, United Kingdom, Denmark and Lithuania) consumers have the right to reject defective goods and claim immediate reimbursement, which would be curtailed by the directive. The EESC considers that the rule requiring consumers to pay (upon termination of the contract) for the use, deterioration or loss of a defective good is ‘highly questionable’ and even contradicts CJUE case law (Case C-404/06 Quelle). The EESC recommends laying down time limits that would take into account the existing guarantee periods in some Member States (Finland, the Netherlands, Sweden, and the UK).

National parliaments

A number of national parliaments examined the proposal. Only the French Senate adopted a reasoned opinion on subsidiarity, indicating that ‘harmonising protection for consumers who make online purchases at European level must not prevent a Member State from offering its nationals a higher level of protection’. Therefore, the French senators concluded that Article 3 of the proposal – which introduces total harmonisation 'do[es] not allow the Member States to maintain and develop a higher level of consumer protection', thereby violating – in their view – the principle of subsidiarity.

Parliamentary analysis

In September 2015, the Members' Research Service of EPRS published an in-depth analysis on Contract law and the Digital Single Market. This publication analysed in detail the contract law-related aspects of the digital single market strategy and explored the regulatory options available to the EU legislature. Following this publication, the Members' Research Service hosted a policy hub with the participation of Dirk Staudenmayer, the Commission official responsible for drafting the current proposal, and Professor Martijn Hesselink (University of Amsterdam), who was one of the academic co-drafters of the Common European Sales Law.
In February 2016 Policy Department C organised a workshop on new rules for contracts in the digital environment, encompassing also the Online Sales Directive proposal. On this occasion, three in-depth analyses were published addressing the Online Sales Directive (by Professor Jan Smits, Professor Christiane Wendehorst and Professor Hugh Beale).

In April 2016 the EPRS Policy Cycle Unit published an implementation appraisal on consumer sales. The author of the appraisal concluded that full harmonisation 'can increase legal certainty on the applicable rules and interest of the customers in making cross-border purchases' and that 'it will in general, simplify and increase customer protection', nonetheless it 'might have some negative impact on those [Member States] that already have existing national legislation going beyond the text of the proposals'.

Legislative process

Initial discussions in Council

On 11 March 2016 the Council discussed the proposal in an open session. The proposal has been referred to the Working Party on Civil Law (Contract Law). The Dutch Presidency indicated that the two proposals were key items under the DSM strategy. From the preliminary reactions of Member States it was understood that two key objectives were to be pursued: firstly, the creation of a modern legal framework for e-commerce in the EU's single market, and secondly, boosting consumer trust in cross-border contracts.

With regard to the Online Sales Directive proposal, some Member States indicated their desire for more time for reflection, especially in the context of the on-going REFIT exercise on the Consumer Sales Directive. Therefore, work at technical level was first initiated on the Digital Content Proposal and not on the Online Sales Proposal. The Member States also stressed the need for consistency between rules on online sale of goods, offline sale of goods and supply of digital content. The Council agreed with the Dutch Presidency's suggestion to focus first on the Digital Content Proposal.

Addressing the Council on behalf of the Commission, Commissioner Věra Jourová (Justice, Consumers and Gender Equality) underlined the importance of the proposed Online Sales Directive stressing that goods account for the biggest share of cross-border e-commerce in the EU. She also underlined the need for consistency between online sales proposal and the digital content proposal. Jourová acknowledged the Member States' fear of creating a dual regime for online and offline consumer sales, indicating that this aspect will be taken into account in the REFIT check of the existing Consumer Sales Directive which could possibly lead to expanding the scope of the current proposal to offline sales too.

Rapporteur Pascal Arimont's draft report

On 18 November 2016, Pascal Arimont presented his draft report. The most important modification proposed by the rapporteur is to expand the scope of the directive to both online and offline sales. Therefore, the rapporteur proposes to change the title to 'Directive... on certain aspects concerning contracts for the sale of goods and repealing Directive 1999/44/EC', lifting the limitation to 'online and other distance' sale of goods. An additional recital (4a) explains that the move to provide for a uniform regime serves 'to avoid discrepancies between the rules governing distance sales and those governing face-to-face sales' and to 'prevent confusion between different sales channels, reduce complexity and increase clarity'.
**Scope of the directive**
The rapporteur proposes a new article (2a) clearly laying down the scope of the directive. It would apply to any sale contract between a consumer and a seller, but would not apply to contracts for the provision of services. Nonetheless, in the case of mixed contracts (sale and services) it would still apply to the part of such a contract relating to the sale of goods. In order to ensure alignment with the digital content proposal, the rapporteur would make it clear that the directive does not apply to goods in which digital content is embedded, unless the supplier proves that the lack of conformity 'lies in the hardware of the good' (Article 2a(3)).

**Burden of proof regarding defects**
While under the original proposal any lack of conformity appearing within two years of delivery is deemed to have existed from the outset (Article 8(3)), the rapporteur would reduce that timeframe to six months, unless that was 'incompatible with the nature of the goods or with the nature of the lack of conformity' (proposed Article 8a).

**Exclusion of seller's liability if consumer knew or should have known about defects**
The rapporteur proposes to exclude the seller's liability if the consumer 'was aware, or could not reasonably have been unaware' of the defects (non-conformity (proposed modification of Article 9(5))). This is because, in the rapporteur's view, 'positive knowledge of the lack of conformity must be interpreted as [its] acceptance'.

**Partial termination only if partial performance is possible**
The rapporteur proposed to limit the possibility of partial termination by the consumer only to those cases in which partial performance is possible (proposed modification of Article 13(2)). Therefore, partial termination would be allowed only with regard to selected goods if they 'are separable from the other goods ... unless the consumer cannot be expected to accept [partial] performance'. Therefore, the consumer will still have the right to full termination if he has interest only in the whole contract, and not in part of it.

For instance, a consumer bought 200m² of tiles for his apartment. These tiles were from the end of a line and were no longer being produced. Upon delivery it turned out that 100m² of the tiles were broken. They could not be replaced, so the consumer could terminate. However, since he wanted to have the same tiles throughout the apartment, he had no interest in making only a partial termination and could terminate the whole contract, not just the part regarding 100m² of defective tiles.

**Second-hand goods**
In the case of second-hand goods, the rapporteur proposes that the parties – as under the existing Consumer Sales Directive – should be able to agree on a shorter period of seller's liability for non-conformity, but not shorter than one year. The general period (for new goods) is two years.

**Guarantee statement only upon consumer's request**
The rapporteur proposes to modify the rule on guarantee statements (Article 15(2)) by providing that the consumer must be provided with a statement on request. In the original proposal, the Commission made it obligatory to provide a statement on a durable medium even if the consumer did not ask for it.

**Next steps**
In addition to the IMCO committee, the lead committee, two other committees, namely the Committee on Culture and Education (CULT) and the Committee on Legal Affairs
Contracts for online and other distance sales of goods

(JURI) were associated for opinion. Whilst the CULT committee decided not to give an opinion, JURI appointed Heidi Hautala (Greens/EFA, Finland) as its rapporteur in March 2016. The next steps in the procedure are, therefore, adoption of the opinion by JURI, followed by adoption of the IMCO committee report. This will pave the way to opening trilogue negotiations with the Council.

References

Contracts for online and other distance sale of goods, European Parliament, Legislative Observatory.


Smits, J. The new proposal for harmonised rules for the online sales of tangible goods: conformity, lack of conformity and remedies, Policy Dept C in-depth analysis, PE 536.492 (2016).

Wendehorst, C. Sale of goods and supply of digital content – two worlds apart? Why the law on sale of goods needs to respond better to the challenges of the digital age, Policy Dept C in-depth analysis, PE 556.928 (2016).

Disclaimer and Copyright

The content of this document is the sole responsibility of the author and any opinions expressed therein do not necessarily represent the official position of the European Parliament. It is addressed to the Members and staff of the EP for their parliamentary work. Reproduction and translation for non-commercial purposes are authorised, provided the source is acknowledged and the European Parliament is given prior notice and sent a copy.

eprs@ep.europa.eu
http://www.eprs.ep.parl.union.eu (intranet)
http://epthinktank.eu (blog)

Second edition. The 'EU Legislation in Progress' briefings are updated at key stages throughout the legislative procedure. To view previous versions of this briefing, please see: PE 577.962, 15 February 2016.