Consumers’ rights against defective digital content agreed by EU lawmakers

• First ever EU rules to protect consumers faced with faulty digital content or services
• If a problem cannot be fixed: price reduced or contract ended and consumer refunded
• Digital content includes social media, music, movies, apps, games and computer programmes

People who buy or download music, apps, games or use cloud services will be better protected if a trader fails to supply the content or service or provides a defective one.

The first EU-wide “digital contracts” rules to protect consumers better were provisionally agreed by Parliament and Council negotiators on Tuesday evening.

These consumer protection rights will apply in an equal manner to consumers who provide data in exchange for such content or service and to “paying” consumers alike.

What to do if something goes wrong

The agreed text lays down that:

• in case of defective digital content or service: if it is not possible to fix it in a reasonable time, the consumer is entitled to a price reduction or a full reimbursement within 14 days,

• if a defect becomes apparent within one year of the date of supply, it is presumed that it existed already at that time, without the need for the consumer to prove it (reversal of the burden of proof); for continuous supplies, the burden of proof remains with the trader throughout the contract,

• the guarantee period for one-off supplies cannot be shorter than two years; for continuous supplies it should apply throughout the duration of the contract,

• for subscriptions to digital content for a period of time, the trader may modify the content only if it’s allowed by the contract, the consumer is notified reasonably in advance and is allowed to terminate the contract within at least 30 days of notice.

Quotes
Evelyne Gebhardt (S&D, DE), Internal Market and Consumer Protection Committee rapporteur, said: “With the sinking cost of electronic gadgets and the growing market for Big Data and targeted marketing, companies have an increased incentive to distribute consumer electronics without charge. Some consumer electronics are sold at the manufacturing price or less. The main purpose of such "giveaways" is to monetise through collection of user-generated content. This provisional deal bolsters consumer rights and increases legal certainty. It addresses the most pressing issues that consumer contracts in the digital sphere face today, such as software updates and changes to digital content/service”.

Axel Voss (EPP, DE), Legal Affairs Committee rapporteur, added: “The directive for digital contract law provides an essential legal framework for digital content within the EU. Most notably in the digital world, which is characterised by a boundless data transfer between countries, it is indispensable for a functioning European Single Market to adopt uniform rules”.

Next steps

MEPs have provisionally closed the negotiations on the digital content directive today. The agreement should be officially confirmed when a deal is reached on its “twin” proposal, the sales of goods directive, since the co-legislators decided to treat them as a package.

The provisional agreement will need to be confirmed by member states’ ambassadors (Coreper) and the Internal Market and Consumer Protection and Legal Affairs committees. It will then be put to a vote by the full House and submitted for approval to the EU Council of Ministers.

Background

Contracts for the supply of digital content and services are concluded every day by millions of people. Digital content covers a wide range of items, such as music, movies, apps, games and computer programmes. Digital services include, for instance, cloud computing services and social media platforms. EU data protection rules will be fully applicable in the context of these “digital contracts”.

Goods with digital elements (e.g. “smart” fridges or connected watches) are to be regulated under the directive on sales of goods, on which negotiations are ongoing.

This proposal, together with the one on the sales of tangible goods, is among the initiatives of the Digital Single Market Strategy.

Further information

Procedure file
Legislative train
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