

I Press Release

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Consumer Rights Directive: a costly vote for businesses

"Today's vote shows that Members of the European Parliament have lost sight of one of the key objectives of the on the Consumer Rights Directive, which was to cut legal costs for businesses wishing to sell cross-border," said Arnaldo Abruzzini, Secretary General of EUROCHAMBRES.

The vote introduces a number of minimum harmonisation clauses that leave Member States at liberty to keep or develop a myriad of additional requirements to the directive. According to an impact assessment run by the European Commission, this will cost each business over 70,000 EUR to adapt to 27 fragmented legal frameworks.

"These are huge administrative and financial burdens, especially for small businesses," said Mr Abruzzini.

The significant changes introduced by the European Parliament should prompt a further impact assessment. EUROCHAMBRES now hopes that the wiser approach taken by the Council will prevail during the negotiations and that the vote of today will prove a mere hiccup in the process.

A chocolate illustration

SingleMarketChocolates could be a small business based in Belgium that sells chocolate online. In 2008, the company decided to extend business through the entire EU and invested 70,526 EUR in legal research to adapt their terms and conditions to the consumer rights regimes of the 27 EU Member States. As a consequence of today's European Parliament vote, the consumer rights framework has changed without harmonisation. The chocolate company is now obliged to invest a further 70,000 EUR in legal costs to update its contractual terms. The initial proposal of the European Commission that aimed at harmonising consumer rights in Europe would have cut these costs to 2,153 EUR.

The figures quoted in the illustrative example are taken from the Impact Assessment published by the European Commission on 30/07/2008.

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