



"The voice of crafts and SMEs in Europe"

Consumer rights: compromise text fails to strike the right balance, warn SMEs

UEAPME concerned by increased withdrawal rights, information requirements and heavier rules on reimbursements

Brussels, 23 June 2011 – The compromise agreement on the consumer rights directive approved by the European Parliament's plenary today (Thursday) fails to strike the right balance between consumers' and traders' interests and will substantially raise administrative burdens for small companies, according to UEAPME, the European craft and SME employers' organisation. UEAPME was left particularly disappointed by the considerable increase of withdrawal rights for consumers and by the failure to insert a clear distinction between solicited and unsolicited visits in this respect. Although some safeguards will apply in case of urgent repairs and maintenance and for services already completed, these small adjustments will not change the directive's overall negative impact, stressed UEAPME. The organisation also expressed concerns on withdrawal-linked reimbursement rights, which can now take place even before the consumer has actually returned the goods to the trader, and information requirements for traders, which were radically increased and will put SMEs at a competitive disadvantage.

Secretary General **Andrea Benassi** offered the following comments:

"The disappointing compromise rubber-stamped by the Parliament's plenary today does certainly not fulfil the original aim to simplify the EU legislation on consumer rights. On the contrary, it will increase administrative burdens for small traders without striking a fair balance between the needs of consumers and those of businesses. The text goes blatantly against the 'Think Small First' principle and will do precious little to increase SMEs' confidence, especially in this time of crisis."

"The wording on withdrawal rights is a major drawback for small entrepreneurs and craftsmen who must visit consumers' homes to assess what needs to be done and make an offer. Consumers will have two weeks to withdraw their orders, even if they solicited the visit in the first place. Inserting a distinction between solicited and unsolicited offers would have solved the issue, but our calls to do so fell on deaf ears. As a consequence, the same withdrawal rights will apply to all contracts concluded off-premises. While some safeguards will indeed apply in case of urgent repairs and maintenance and for services already completed, this comes as little consolation and is already the case under the current rules."

"Information requirements were also substantially increased. It will be now up to the trader to inform consumers on the rights that they have, and sometimes even on the rights that they do not have. Small companies will have a hard time complying with these new rules, and will require external legal assistance since they certainly cannot rely on an internal legal department to check the wording of their offers. Rules on reimbursements are also likely to cause problems, as repayments can now take place even before the consumer has returned the goods to the trader. If the goods are then received in a poor state, the only way for the trader to get the money back would be to file a lawsuit. This makes no sense."

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EDITORS' NOTES: UEAPME is the employers' organisation representing exclusively crafts, trades and SMEs from the EU and accession countries at European level. UEAPME has 80 member organisations covering over 12 million enterprises with 55 million employees. UEAPME is a European Social Partner. For further information: <http://www.ueapme.com/>

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