

## **Bringing risk-free shopping to Europe**

*by Viviane Reding, EU Justice Commissioner*

On a quiet Saturday afternoon, you find an offer for a 'free' download of a new game on the Internet. You fill in your name and address and press 'register.' With a few mouse clicks, you are now stuck with a €80 euro bill for the 'free' software. How did this rip-off happen? How can web surfers be protected?

The new EU Consumer Rights Directive, which was adopted by the EU legislators, will ban hidden charges and costs on the Internet. Europeans will no longer be tricked into buying 'free' services, such as recipes, horoscopes or subscriptions.

The rules are a giant step forward for consumer protection. They will ensure that consumers across Europe have more confidence when shopping, whether online or on the high street. The Directive will improve consumers' rights by introducing clear rules no matter where a sale takes place – online, on the phone, door-to-door or at a 'Tupperware' party at a friend's house.

More rights mean more security. Under the new rules, shoppers all over Europe will have two weeks – up from the current one week – to change their minds from the moment they receive the goods. That means that if a Finnish woman discovers that the pink shoes she bought online from an Italian designer do not match the colour of her dress, she can return them – no questions asked. The return policy is the same as if she bought the shoes from a Finnish firm in Helsinki. The Milan-based shoemaker will have to refund the shopper – including delivery costs – within two weeks. And, for the first time, the return rules also apply to professional online auctions, such as eBay, giving consumers even more protection.

Why are these new rules important now? The way we shop and do business today is radically different from the time when the first EU rules on consumer protection took effect. Last year, some 60% of European consumers bought goods or services over the Internet, up sharply from 40% the year before. Back in 2004, only 20% of Europeans bought products online.

Clearer, simpler rules will also encourage cross-border trade. Companies are not taking advantage of the EU's crown jewel – a single market with 500 million consumers. A third of consumers would consider buying online from another EU country because it is cheaper or better. Sadly, only 7% actually do so. By giving consumers more confidence, we are unlocking the full economic potential of Europe's single online market.

Confidence will come by tackling unfair practices. Imagine you want to buy a plane ticket online. You click through all the steps, place your order and then discover that your ticket comes with an onboard meal and travel insurance that you don't want. This is because the website had a series of boxes that were pre-ticked for the meal and insurance. The new rules ensure that these rip-off 'pre-ticked boxes' will be banned.

Consumers will also be clearly told on paper or via email what they are buying, from whom, how much it costs and the length of the contract. Traders will have to disclose the total cost of the product or service, as well as any extra fees. Online shoppers will not have to pay charges or other costs if they were not properly informed before they

place an order. Information on digital products must explain their compatibility with hardware and software.

The new Directive isn't designed solely for consumers. Businesses will also benefit from a more level playing field, such as with standard forms that consumers can fill out to return goods. Reducing transaction costs for cross-border sales will help everyone because consumers will have more choice at a better price.

The Consumer Rights Directive is about helping people get the most out of shopping online or on the high street. With greater fairness and security, everyone wins. Whether buying a laptop online or a lamp in an antique shop, consumers will know there are clear rules to protect their rights and save them money. That's putting Europe in your pocket.

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