

How will it work in practice?



European Small Claims Procedure Citizen factsheet



What is the European Small Claims Procedure?

Have you ever ordered a product on the internet from another EU Member State, which in the end was not quite as the web page described, and the trader refused to give you a satisfactory response? As a business, have you ever done a job in another Member State for which your customer refused to pay you? Have you been involved in a car accident in another EU Member State, where you had a justifiable claim for damages against the other driver for loss or injury sustained in the accident?

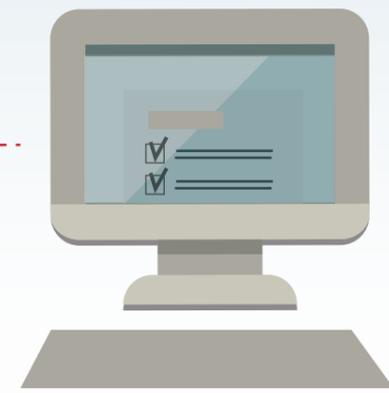
If your claim is less than €2,000, the European Small Claims Procedure can help you find justice in all of these cases, in a fast, easy and simple way. It can be used in all other cases of disputes which are 'civil' or 'commercial' in nature, and have an EU cross-border element. This simple court procedure is a better way of resolving cross-border problems in the EU of value of to €2,000, rather than going through more costly and long-winded court procedures.

Why did the EU establish this European Small Claims Procedure?

In a single market of 500 million consumers, with billions of cross-border commercial transactions taking place every day, problems are bound to occur.

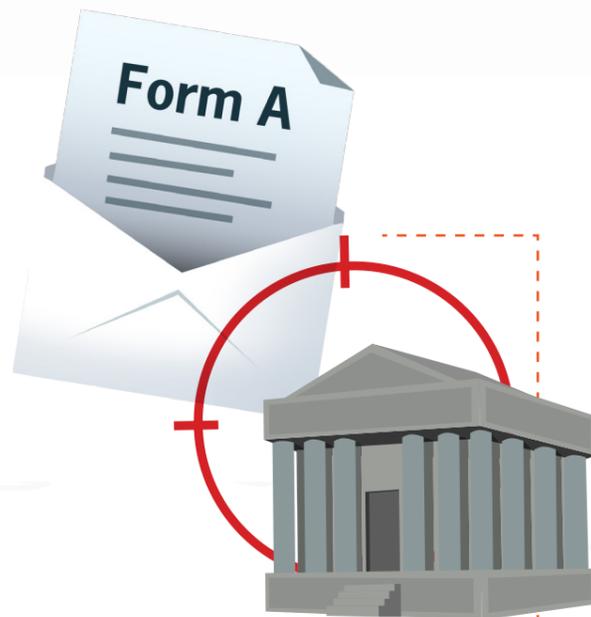
That is why consumers and business in the EU, since 2007, has the means to put things right – simply and quickly and in a hassle-free way. Launching a new case for a small claim is as simple as filling in a standardised form, and sending it to the appropriate court.

The defendant has 30 days to reply, and the court has another 30 days to deliver judgment, unless more information is required. The decision of the court then has to be enforced in all Member States. No lawyers are necessary, the procedure is quite fast, and costs are kept to a minimum. The European Small Claims Procedure has already reduced the average length of court proceedings from 2.5 years to 5 months.



STEP 1

Fill in the details of your claim in the standard form provided: "Form A"



STEP 2

Send your completed form to the competent court (local court or the court where the defendant is based)

STEP 3

After the Court decision is issued, take a copy of the decision and Form D, and you can apply (enforce) the decision in any EU country





Example

A Finnish wine-lover orders a case of 2013 Bourgogne from a French merchant. He receives a case of 2012 Beaujolais instead. The trader refuses to recognise the error and does not reimburse the customer. The small cost of the transaction makes the customer think twice before investing the time, effort and money to find justice. If the Finnish citizen simply decides never to shop online from another EU Member State, the European economy suffers the consequences and we all lose out.

What we are now improving

The European Commission is proposing changes that will make this useful mechanism for resolving problems even better – simpler, faster and more relevant. Here are the main changes to the rules on Small Claims compared to what we have in the EU at the moment:

1. What is the monetary limit to accept cases to the European small Claims Procedure?

Currently, all civil (e.g. a construction company renovating a holiday home in another EU Member State not doing its work properly) and commercial cases (e.g. ordering something online from another EU Member State and not receiving the product) up to €2,000 can be resolved through this procedure.

What is the Commission proposing?

To raise the threshold to **€10,000**, in order to help more consumers and businesses resolve their cross-border problems through this useful procedure. The higher threshold brings many more business-to-business disputes into the coverage of the Small Claims procedure, making it easier, faster and cheaper to resolve them.



2. Which cases can be resolved via the European Small Claims Procedure now?

According to the current rules, cases can be accepted only when at least one party resides in another Member State than that of the court, i.e. cases of a 'cross-border' nature.

What is the European Commission proposing?

Under the new rules proposed, 'cross-border' will capture more cases, allowing in this way a greater number of problems to be resolved. For example, in some instances, a case will be accepted in the European Small Claims Procedure even if both parties in a dispute are from the same EU Member State, provided there is another cross border element, for example if the court decision is to be applied in a different Member State.

3.

Do people making claims have to travel to the court in the country where the hearing takes place?

Even though the rules on small claims which are now in place allow the use of tele- and video-conferencing facilities, not much use is made of this possibility. Consumers and businesses often have to make costly journeys to another Member State in order to be present at court hearings for their small claims.

What is the European Commission proposing?

The European Commission is proposing greater use of technology (such as video-conferencing) in the European Small Claims Procedure to minimise unnecessary travelling, and encourage more people to resolve their cross-border disputes using this procedure. People involved in the new Small Claims Procedure will only have to travel to the court for the oral hearing only when the court cannot take a decision based on written documents. Documents submitted by email will also be accepted by courts, and the whole procedure can be initiated online with a few mouse clicks.



4.

At the moment, court fees can be very high in small claims Cases, sometimes even cancelling out the value of the claim.

This has been one of the main reasons why the European Small Claims Procedure has not been used as much as expected by European consumers and businesses.

What is the European Commission proposing?

The European Commission is proposing to cap court fees in order to address this problem, which deterred many people from using the European Small Claims procedure. Under these proposals, court fees cannot exceed 10% of the value of the claim; if the minimum fee is charged by Member State, it cannot be higher than €35.



Who will benefit from these changes?

Every consumer and every business in the EU stands to benefit from this procedure.

For businesses the European Commission proposals will:

- Reap the same advantages as consumers in terms of simplification, speed, and lower costs of justice
- Benefit from the higher threshold of €10,000, which will open the procedure to approximately 50% of SMEs cross-border claims

For consumers, the European Commission proposals will:

- Make the procedure better, faster and cheaper than before due to the limits on court fees and other procedural improvements
- Result in more information and better assistance throughout the procedure.