European Commission

Study on the costs and benefits of extending certain rights under the Consumer Sales and Guarantees Directive 1999/94/EC

Written by ICF (on behalf of the Consumer Policy Evaluation Consortium) in association Civic Consulting, Grimaldi Studio Legale and Ipsos Mori

March 2017

Justice and Consumers

ICF

EUROPEAN COMMISSION

Directorate-General for Justice and Consumers

Directorate E — Consumers

Unit E.2 Consumer and marketing law

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Rights, Equality and Citizenship Programme – Consumer Rights

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Abstract

The study is part of the ongoing Fitness Check of EU consumer and marketing law, focusing on the Consumer Sales and Guarantees (CSG) Directive 1999/44/EC which is a minimum harmonisation Directive. The study assessed the costs and benefits of extending certain consumer rights under the Directive. It specifically focuses on assessing the impacts of extending the legal guarantee period to more than two years for all products or applying varying guarantee periods for a selection of products depending on product type, value or life-span as declared by the manufacturer. In addition, it explores the impacts of uniform EU rules allowing the consumer to freely terminate the contract when the seller fails to repair or replace a defective good within a specified deadline; introducing an obligation on sellers to inform consumers about the availability of spare parts; and introducing an obligation on sellers to keep or facilitate access to spare parts for all or some products.

Résumé

L'étude s'inscrit dans le cadre du «bilan de qualité» en cours du droit européen de la consommation et de la commercialisation, se concentrant sur la directive 1999/44/CE sur certains aspects de la vente et des garanties des biens de consommation (VGC), qui est une directive d'harmonisation minimale. Cette étude a évalué les coûts et avantages de l'extension de certains droits des consommateurs en vertu de cette directive. Elle se concentre en particulier sur l'évaluation des impacts de l'extension de la période de garantie juridique à plus de deux ans pour tous les produits ou de l'application de différentes périodes de garantie pour une sélection de produits selon le type de produits, leur valeur ou leur durée de vie telle que déclarée par le fabricant. En outre, elle étudie les impacts d'une réglementation européenne uniforme permettant au consommateur de résilier librement le contrat si le vendeur n'est pas en mesure de réparer ou de remplacer un bien défectueux dans un délai spécifié; introduisant une obligation imposée aux vendeurs d'informer les consommateurs de la disponibilité de pièces de rechange; et introduisant une obligation imposée aux vendeurs de maintenir ou de faciliter l'accès aux pièces de rechange pour l'ensemble ou une partie des produits.

1 Introduction

This study analyses the costs and benefits of national rules relating to legal guarantees stretching beyond the minimum rules set out in the Consumer Sales and Guarantees Directive, as well as national provisions for maintaining spare parts (where these exist). It then looks at the potential impact of a several options for extending consumer protection under the Consumer Sales and Guarantees Directive.

Box 1. Overview of the Consumer Sales and Guarantees (CSG) Directive 1999/44/EC

The Consumer Sales and Guarantees (CSG) Directive 1999/44/EC, which came into force in 2001, aims to provide consumers across the EU with a minimum level of protection by laying down a common (minimum) set of rules on conformity with contract and a set of remedies when goods turn out to be faulty or do not conform with their description. These, *inter alia*, include:

- A two year legal guarantee period which makes the seller liable for any defects that existed at the time of delivery and become apparent within two years from delivery.
- A hierarchy of remedies: as a first step, consumers can ask for repair or replacement of defective goods (first-tier remedies), followed by price reduction or full refund/termination of contract (second-tier remedies).
- Reversal of burden of proof during first six months of purchase, i.e. for the first six months after the delivery it is presumed that the fault already existed at the time of delivery, unless the seller proves otherwise..

The CSG Directive applies to the sale of tangible consumer goods, both new and second hand[1], and regardless of the sales channel (remote or face-to-face sales channels). It is a minimum harmonisation directive and, as such, several Member States have gone beyond its minimum harmonised requirements by introducing more stringent rules.

1.1 Background to the study

The Commission's 2010 Communication on Smart Regulation introduced 'Fitness Checks' as comprehensive policy evaluations to assess whether the regulatory framework for an entire policy area is proportionate, fit for purpose, and delivers as expected. As such, the key elements of a Fitness Check are as follows:

- To identify excessive administrative burdens, overlaps/gaps/ inconsistencies between different pieces of legislation in the same policy area or obsolete measures that may have appeared over time.
- To estimate the cumulative impact of legislation in a particular policy area.
- To identify areas for potential simplification.

This Study will feed into the ongoing Fitness Check of the EU horizontal consumer legislation, for which the following pieces of legislation are being examined:

- Directive 93/13/EEC on unfair terms in consumer contracts (Unfair Contract Terms Directive);
- Directive 1999/44/EC on certain aspects of the sale of consumer goods and associated guarantees (Consumer Sales and Guarantees Directive);
- Directive 2005/29/EC concerning unfair business-to-consumer commercial practices in the internal market (Unfair Commercial Practices Directive).

[1] However, Member States may reduce the legal guarantee period to one year for second-hand goods.

- Directive 98/6/EC on consumer protection in the indication of the prices of products offered to consumers (Price Indication Directive);
- Directive 2006/114/EC concerning misleading and comparative advertising (Misleading and Comparative Advertising Directive);
- Directive 2009/22/EC on injunctions for the protection of consumers' interests (Injunctions Directive).

In December 2015, the European Commission proposed a Directive on online and other distance sales of goods which, if adopted, would replace the rules of the Sales and Guarantees Directive for distance sales of tangible goods (in particular, online sales but also sales by telephone and mail order, etc.). At the same time, the Commission proposed Directive on contracts for the supply of digital content introducing rules on conformity and remedies for defective digital content, not currently regulated by EU legislation, as well as certain new rules regarding the modification of contracts, and termination of long-term contracts for the supply of digital content and modalities of consumers' remedies.

1.2 Aims of the study

This report has several objectives:

- To analyse the costs and benefits for consumers and sellers, two specific options were considered: 1) extending the legal guarantee period to more than two years for all products and 2) applying varying guarantee periods for a selection of products depending on product type, value or life-span as declared by the manufacturer;
- To analyse the costs and benefits of introducing uniform EU rules allowing the consumer to freely terminate the contract when the seller fails to repair or replace a defective good within a specified deadline;
- To analyse the costs and benefits of introducing an obligation on sellers to inform consumers about the availability of spare parts;
- To analyse the costs and benefits of introducing an obligation on sellers to keep or facilitate access to spare parts for all or some products.

1.3 Key concepts and definitions used in this study

- **Legal guarantee**: a legal obligation of a seller or manufacturer to the consumer to reimburse the price paid or to replace, repair or handle consumer goods in any way if they do not meet the specifications set out in the guarantee statement or in the relevant advertising;[2]
- **Commercial guarantee**: any undertaking by a seller or manufacturer to the consumer in addition to the basic legal guarantee. This can be in the form of an extension of the legal guarantee, cover additional services or function as insurance. This can be a paid-for commercial guarantee or free of charge commercial guarantee;
- **Seller**: for the purpose of this study the seller refers to the final seller or retailer of the product where a consumer purchases a product or turns to in the event of a faulty good. The business interviews (Annex 2) are interviews of such final sellers;
- **Manufacturer**: the producer of the consumer goods sold by the seller.
- **Face-to-face sales or "offline sales:** in the context of this study refers to sales made in a physical i.e. 'brick and mortar' shop or off-premises sales in the sense of Article 2 (8) of Directive 2011/83/EU on consumer rights, including doorstep-selling and sales made during promotional excursions. However, the focus of this study is clearly on physical shops;

[2] Largely in line with the definition in Directive 1999/44/EC: http://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:31999L0044

- **Distance sales:** encompasses e-commerce (online sales), mobile commerce, mail (postal) orders, and telesales/call centre (e.g. phone sales, TV shopping);
- **Cross-border seller**: retailer or final seller who also sells products to at least one other Member State;
- **Domestic seller**: retailer of final seller who does not sell products beyond the Member State where he or she is based.
- **White and brown goods**: White goods are relatively heavy consumer goods, such as washing machines, dishwashers, ovens and refrigerators. Brown goods are generally light, electronic products, including televisions, laptops, and digital media products.

1.4 Source of evidence for the study

This study is based on evidence collected from a range of sources:

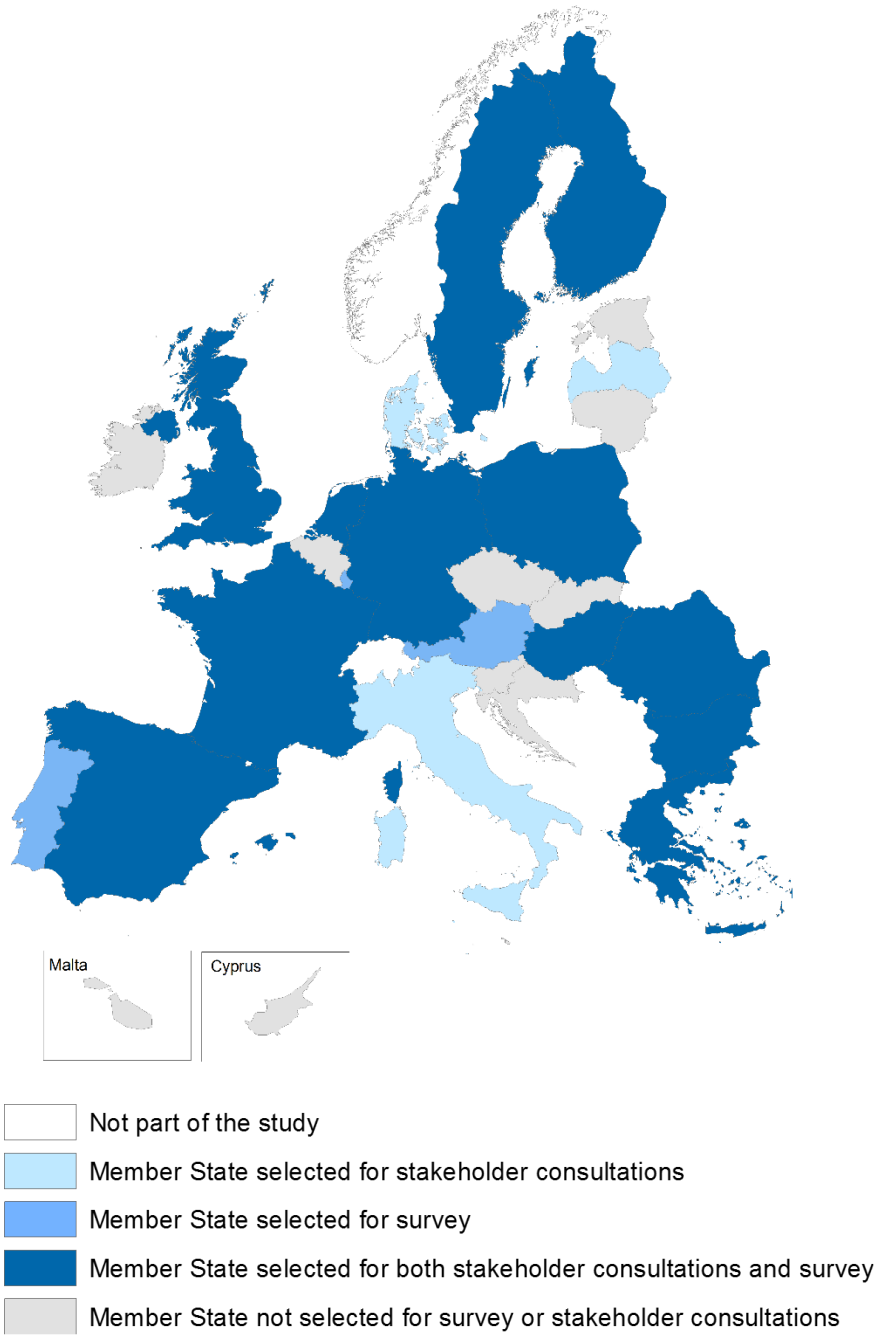
- Desk research;
- Computer-assisted telephone interviewing (CATI) with micro, small and medium-sized retailers in 15 Member States;
- Semi-structured interviews with EU-wide umbrella associations of consumers, retailers and businesses; and
- Semi-structured interviews with national stakeholders from 15 Member States.[3]
- Open Public Consultation on the fitness check, including on Directive 1999/44/EC[4].

In view of the time and budget constraints, primary data collection activities were limited to a representative sample of Member States as shown in Figure 1 below.

[3] In addition, the study consulted stakeholders from Finland to collect information about the system of a differentiated legal guarantee period.

[4] Public consultation for the Fitness Check of EU consumer and marketing law: http://ec.europa.eu/newsroom/just/item-detail.cfm?item_id=31689

Figure 1. Overview of countries selected for primary data collection activities



1.4.1 Desk research

Desk research consisted of the following components:

- Legal mapping
- Responses to the open public consultation
- Literature review
- Analysis of statistical and survey data.

1.4.1.1 Legal mapping

The following sources were used to understand the current situation with respect to the provisions that fall within the scope of this study:

- Consumer law database repository[5]
- The 2015 Consumer Market Study on the functioning of the legal and commercial guarantees for consumers in the EU[6]
- Consumer Law Compendium[7]
- Notifications from Member States to the Commission under the Consumer Rights Directive (2011/83/EU) on the points where they have gone beyond the CSG Directive[8];
- The 2016 Study on all mandatory rules applicable to contractual obligations in contracts for sales of tangible goods sold at a distance and, in particular, online[9].
- Further information about the legal mapping carried out is presented in Annex 1.

1.4.1.2 Responses to the open public consultation

The European Commission organised a public consultation on EU consumer and marketing law to inform the fitness check[10]. The consultation was open between 12 May 2016 and 12 September 2016. The public consultation included questions about consumer experience with the exercise of their rights under Directive 1999/44/EC and, where commented on by the respondent, the perceived benefits of the protection provide by this Directive In the section looking forward, it also addressed the need for differentiated guarantee period depending on the characteristics of the goods. The responses to these questions were analysed and incorporated in this report.

1.4.1.3 Literature review

Relevant evidence on the benefits, costs (legal, compliance and other), barriers to sellers and consumers of the current regulatory framework was extracted from the following sources:

- Impact Assessment for the Proposal on online and other distance sales of goods;
- Impact Assessment for the Proposal on a Common European Sales Law (CESL);
- Impact Assessment for the Proposal of the Consumer Rights Directive;
- Relevant – though limited – sources at national level, including reports and data from France (UFC QueChoisir, a business association), the Netherlands (disputes and complaints from de Geschillencommissie) and the UK (Which?), though evidence at national level is rather scant;
- The 2015 Consumer Market Study on the functioning of the legal and commercial guarantees for consumers in the EU.

1.4.1.4 Analysis of statistical and survey data

Quantitative data was drawn from the following sources:

- Eurostat statistics on the number of retailers (NACE Rev 2 G47) and population;

[5] Non-public website that can be accessed via the following link: https://cmlaw.herokuapp.com/

[6] DG Justice and Consumers, "Consumer market study on the functioning of legal and commercial guarantees for consumers in the EU" (December 2015),). The study is available at the following link: , http://ec.europa.eu/consumers/consumer_evidence/market_studies/docs/legalguaranteesfinal_report_en.pdf

[7] Complete study: http://www.eu-consumer-law.org/consumerstudy_full_en.pdf

[8] DG Justice and Consumers, "Notifications according to Article 32 and 33 of the CRD" : "http://ec.europa.eu/consumers/consumer_rights/rights-contracts/directive/notifications/

[9] Study on all mandatory rules applicable to contractual obligations in contracts for sales of tangible goods sold at a distance and, in particular online, European Commission, DG Justice. Available at: http://ec.europa.eu/justice/contract/files/final_report_study_on_all_national_mandatory_rules_applicable_to_contracts_for_sales.pdf

[10] See: http://ec.europa.eu/justice/newsroom/consumer-marketing/opinion/160502_en.htm

- Microdata of Flash Eurobarometer 359 "Retailers' attitudes towards cross-border trade and consumer protection" (2013);
- Microdata of Flash Eurobarometer 396 "Retailers' attitudes towards cross-border trade and consumer protection" (2015);
- Microdata of the ongoing Consumer Market Study to Support the Fitness Check of Consumer Law – see box below.

Box 2. Approach to consumer detriment analysis using micro-data from the ongoing Consumer Market Study to support the Fitness Check of Consumer Law (Lot 3)

The forthcoming Consumer market study to support the fitness check of the Consumer Law, European Commission[11] survey covers all 28 Member States plus Norway and Iceland. Overall 23,501 EU consumers replied to questions related to their purchasing habits through face-to-face and distance channels, which included the incidence of problems with defective goods, awareness of consumers' rights in this area, views on remedies as well as action taken/remedies received for defective goods.

We used the micro-data from the survey to construct the following indicators of consumer detriment:

Incidence of problems relating to defective goods i.e. share of respondents experiencing problems relating to defective goods;

Share of relevant respondents receiving redress;

Net financial detriment – Gross financial detriment *less* the monetary value of any remedies received; and,

Other costs - The amount of time and money spent by consumers as a consequence of the problem relating to defective goods[12] (administrative follow-up, legal follow-up and product follow-up costs).

The study also looked at the relationship between the level of consumer protection provided by national legislation and consumer detriment as measured by the above indicators using bivariate regression technique. This statistical method allows to test if two variables are associated. If the outcome of such test is positive (i.e. the results are statistically significant), then it means that the association between the two variables is caused by something other than random chance. Hence a bivariate regression can provide a quick and useful first insight on the relationships between any two variables. This method however, does not describe *causality* between the two variables (i.e. the influence of one variable over the other or vice versa). Annex 2 explains the concept of consumer detriment and provides further information on the specific survey questions that were used for the analysis and how the above indicators were derived.

1.4.2 Business interviews

Structured interviews (using CATI) were conducted with 375 retailers in 15 Member States to collect evidence on (i) the costs and benefits of national rules going beyond the current Directive and (ii) the potential impact of the various legislative changes being considered by the Commission.

The survey was targeted at decision makers within the business (e.g. owner, general manager, commercial/sales manager etc.). The sample of 375 retailers was randomly drawn from the Dun and Bradstreet database, entries which vary by country and sector. A sample size of 375 gives a margin of error of approximately 5% at a 95% confidence level. As such, the sample is representative of the sub-population it was drawn from. How far the sample represents the entire population of EU retailers cannot be determined, however, because data on population characteristics (e.g. size,

[11] Consumer market study to support the fitness check of the Consumer Law (Lot 2), European Commission, DG Justice and Consumers, forthcoming.

[12] It should be noted that data relating to when the bought product is not working before and during repair or replacement was not collected as part of the forthcoming Consumer market study to support the fitness check of the Consumer Law (Lot 3), and can therefore not be assessed in his study.

sub-sector) are not available[13]. Given these limitations the survey was designed as an additional source of qualitative information for the study i.e. to corroborate and build on the qualitative evidence collected from other sources.

Although a sample size of 375 permits quantitative analysis of data, the results cannot be extrapolated to the entire population of EU retailers. The results at Member State level should also be treated cautiously because convention dictates that a minimum sample size of 30 is required for quantitative analysis.

The sample consisted of 185 micro enterprises (49% of the sample); 153 small enterprises (41%) and 37 medium-sized enterprises (10%). For the purposes of this study the size of the enterprises is based on the number of employees. Micro enterprises have between 1 and 10 employees, small enterprises between 10 and 50 employees and medium-sized enterprises between 50 and 250 employees.

Table 1 provides a breakdown of business interviews by Member State, while Figure 2 and Figure 3 provide a breakdown of business interviews by demographics. The target number of interviews could not be achieved in the UK, France and Luxembourg due to low interest among businesses in participating in the Study.[14]

Table 1. Breakdown of business interviews by Member State

Member State	No. of target interviews	No. of completed interviews	Completed interviews	
			as % target	as % total
Austria	25	28	112%	7%
Bulgaria	25	31	124%	8%
Finland	25	27	108%	7%
France	25	21	84%	6%
Germany	25	25	100%	7%
Greece	25	26	104%	7%
Hungary	25	26	104%	7%
Luxembourg	25	17	68%	5%
the Netherlands	25	25	100%	7%
Poland	25	28	112%	7%
Portugal	25	31	124%	8%
Romania	25	28	112%	7%
Spain	25	26	104%	7%
Sweden	25	25	100%	7%
United Kingdom	25	11	44%	3%
Totals	**375**	**375**		**100%**

[13]The Dun and Bradstreet database is unlikely to be representative of the EU population of retailers. For instance, smallest retailers (e.g. 'mom and pop' stores) within the microenterprise category are most likely underrepresented in this database.

[14] The offer set out the aim of reaching 25 businesses in 15 countries and while the total number of 375 was met, the targets for UK, France and Luxembourg could not be reached within the timeframe of the Study.

Figure 2. Breakdown of business interviews by sales channel

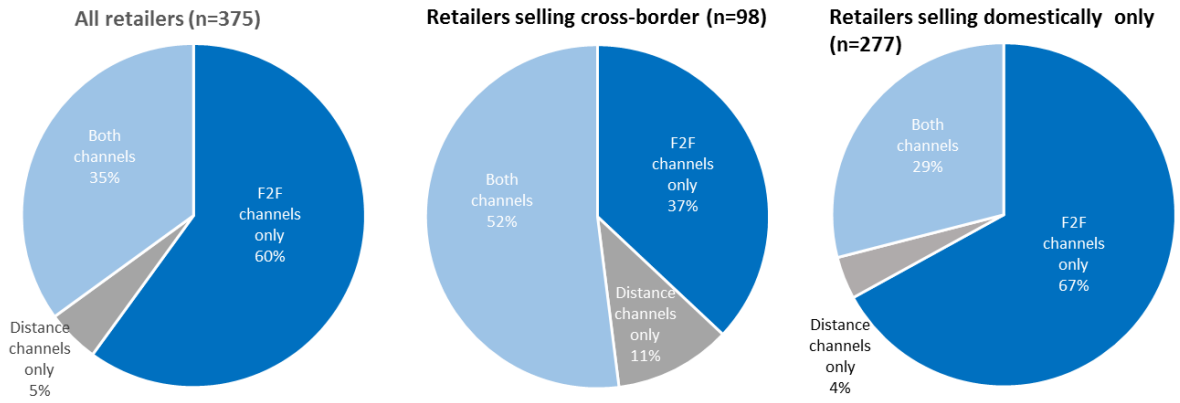
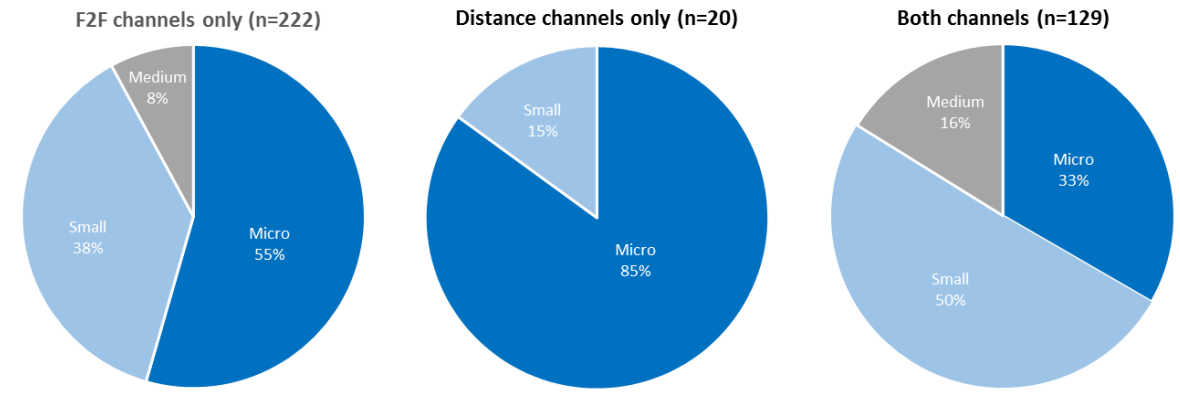


Figure 3. Breakdown of business interviews by size and sales channel



1.4.3 Wider stakeholder interviews

Wider stakeholder interviews were conducted in 15 Member States, and with European umbrella associations.

1.4.3.1 EU level

At EU-level, the study team reached out to both European consumer associations and umbrella business associations. Specifically, the study team consulted BEUC[15], Eurocommerce and Independent Retail Europe.[16]

1.4.3.2 National level

An overview of consultation process involving relevant stakeholders in 15 Member States which mostly overlaps with the 15 Member States selected for the business interviews, is presented in Table 2. Overall, from the list of more than 135 entities contacted between June and September, 67 entities responded to the request. The study did encounter a degree of consultation fatigue, particularly among business associations. In all Member States, the two largest business associations representing businesses or retailers were contacted, but not all could respond.[17]

[15] From BEUC a position paper on Directive 1999/44/EC was received.

[16] The European Retail Round Table and European Community of Consumer Cooperatives decided not to participate. The European Small Business Association (ESBA) decided not to contribute to the study. Other EU-level stakeholders were considered at the inception stage of the study but not considered relevant for full consultation.

[17] Some business associations considered they didn't have enough expertise or information to provide inputs (Bulgaria, Poland), others also consulted their members and were not able to respond on behalf of their members by not having the right mandate (the case for a business association in France and Latvia), or opted not to participate or didn't reply despite repeated phone calls (Hungary, Greece, United Kingdom).

When stakeholders did not reply to an initial invitation, at least two additional follow-ups via email and/or phone were made. Table 2 provides an overview of interviews completed.

Table 2. Number of interviews completed with stakeholders at Member State level

	Total	Government authorities, Enforcement authorities / ADR bodies	Consumers associations	Business association	ECC Centre
Bulgaria	3	1	1		1
Croatia	5	1	2	1	1
Denmark	5	1	1	2	1
France	5	2	1	1	1
Germany	5	1	1	2	1
Greece	4	2	1		1
Hungary	4	2	1		1
Italy	5	2	1	1	1
Latvia	4	2		1	1
The Netherlands	6	3		2	1
Poland	4	2	1		1
Romania	4	1	1	1	1
Spain	4	2	1	1	
Sweden	5	1	2	1	1
United Kingdom	4	2	1		1
Total	**67**	**25**	**15**	**13**	**14**

Note: in a few cases, written responses were provided by stakeholders

1.5 Structure of this Report

The remainder of this document is structured as follows:

- Section 2 presents an overview of the current situation in EU Member States, by mapping national rules going beyond Directive 1999/44/EC and presenting the costs and benefits of national rules.
- Section 3 presents the impact of potential policy options, either through no policy action or the costs and benefits of full harmonisation of specific rules.

The main report is supported by the following annexes:

- Annex 1 provides further details on the legal framework in Member States and case law findings, building on Section 2.1;
- Annex 2 provides the analysis of consumer detriment;
- Annex 3 to this report highlights the findings of the business interviews;
- Annex 4 provides the questionnaire for the business interviews
- Annex 5 provides the background to the analysis of commercial guarantees;

- Annex 6 provides additional tables to the business interviews.

2 The current situation

This section describes the current situation with respect to the transposition of the Consumer Sales and Guarantees Directive relating to legal guarantees, and additional provisions introduced by some Member States relating to spare parts. It specifically highlights national rules going beyond the Directive.

2.1 National transposition of the Consumer Sales and Guarantees Directive

This study focuses on two key elements of Directive 1999/44/EC:

- Legal guarantee period.
- The obligation to repair or replace a product within a certain time frame.

As introduction, Table 3 provides an overview of key articles of Directive 1999/44/EC.

Table 3. Key articles of Directive 1999/44/EC

Relevant article of the Directive	Relevant parts of the Consumer Sales and Guarantees Directive
Legal guarantee period Art. 5(1)	Art 5(1): *1. The seller shall be held liable under Article 3 where the lack of conformity becomes apparent within two years as from delivery of the goods.*
Approach to remedies – hierarchy versus choice Art.3 (2) and time period for providing a remedy Art.3 (3)	Art.3: *2. In the case of a lack of conformity, the consumer shall be entitled to have the goods brought into conformity free of charge by repair or replacement…or to have an appropriate reduction made in the price or the contract rescinded with regard to those good […]* *3. In the first place, the consumer may require the seller to repair the goods or he may require the seller to replace them, in either case free of charge, unless this is impossible or disproportionate […]* *Any repair or replacement shall be completed within a reasonable time and without any significant inconvenience to the consumer, taking account of the nature of the goods and the purpose for which the consumer required the goods.* *5. The consumer may require an appropriate reduction of the price or have the contract rescinded:* *- if the consumer is entitled to neither repair nor replacement, or* *- if the seller has not completed the remedy within a reasonable time, or* *- if the seller has not completed the remedy without significant inconvenience to the consumer.*
Legal and commercial guarantees – Art.6	*Article 6 Guarantees* *1. A guarantee shall be legally binding on the offerer under the conditions laid down in the guarantee statement and the associated advertising.*

	2. The guarantee shall: — state that the consumer has legal rights under applicable national legislation governing the sale of consumer goods and make clear that those rights are not affected by the guarantee, — set out in plain intelligible language the contents of the guarantee and the essential particulars necessary for making claims under the guarantee, notably the duration and territorial scope of the guarantee as well as the name and address of the guarantor.

In regards to the transposition of the Directive, the following are the main points:

- Five Member States have a longer guarantee period than covered by the Directive. Sweden has a guarantee period of three years. In the Netherlands, products must be delivered to the consumer in conformity with the agreement, but without a defined cut-off or time-limit. Instead, the duration of the legal guarantee period is based on the duration of the expected average life-span of the product. Similarly in Finland, the legal guarantee is based on the expected lifespan of the product.

  In the UK and Ireland, consumers can claim remedy for a faulty good if that fault becomes apparent within a limitation period of up to six years (five years in Scotland; six years in England, Wales and Northern Ireland).

  Relevant to this report is that paid-for-commercial guarantees exist in 25 Member States, whereas in Finland, Latvia and Slovenia commercial guarantees cannot be paid-for services but should be offered free of charge. Nonetheless, if these commercial guarantees are sold as 'insurance' they can still pass as a certain kind of commercial guarantee, even in these three countries.

- In nine Member States there is a specified timeframe or generally understood timeframe within which a seller must repair or replace the goods: In Bulgaria, France and Luxembourg (one month), Czech Republic, Portugal and Slovakia (30 days), Romania (15 days) and Slovenia (eight days). In Hungary a seller should attempt repair within 15 days, although is not an enforceable obligation and it is not interpreted as such by stakeholders interviewed.

In addition, there are three elements that are not included in the Directive 1999/44/EC but exist in legislation in some Member States. These are:

- Obligation for sellers to inform consumers about the availability of spare parts
- Obligation for sellers to keep or facilitate access to spare parts
- Suspension of the legal guarantee period during repair or replacement.

Liability for the so-called hidden defects (also referred to as 'vices cachés') are discussed separately in Annex 1.

Table 4 shows how certain rights in national legislation go above the CSG Directive.

Table 4. Elements in national legislation and how they go above the Consumer Sales and Guarantees Directive

Member States	Type of guarantee and duration of legal guarantee (years)	Suspension of the legal guarantee during repair/replacement	Exact timeframe in which to repair or replace the goods	Spare parts -obligation to maintain spare parts	Spare parts -obligation to inform consumers

Member States	Type of guarantee and duration of legal guarantee (years)	Suspension of the legal guarantee during repair/replacement	Exact timeframe in which to repair or replace the goods	Spare parts -obligation to maintain spare parts	Spare parts -obligation to inform consumers
Austria	Uniform (2 years)	New period	Reasonable timeframe	No	No (reversed)[18]
Belgium	Uniform (2 years)	Yes	Reasonable timeframe	No	No
Bulgaria	Uniform (2 years)	Yes	Within one month	No	No
Croatia	Uniform (2 years)	New period	Reasonable timeframe	No	No
Cyprus	Uniform (2 years)	Yes	Reasonable timeframe	No	No
Czech Republic	Uniform (2 years)	No	30 days	No	No
Denmark	Uniform (2 years)	New period[19]	Reasonable timeframe	No	No
Estonia	Uniform (2 years)	New period	Reasonable timeframe[20]	No	No
Finland	Differentiated	No	Reasonable timeframe	No	No
France	Uniform (2 years)	No	1 month	Yes	Yes
Germany	Uniform (2 years)	No	Reasonable timeframe	No	No
Greece	Uniform (2 years)	New period	Reasonable timeframe	Yes	No
Hungary	Uniform (2 years)	New period[21]	15 days	No	No
Ireland	Limitation period (6 years)	Yes	Reasonable timeframe	No	No

[18] In Austria the seller shall inform the buyer that there are no spare parts when this is important (where a consumer could use that information to choose a product that does have available spare parts).

[19] Two years for replacement, three years for repair.

[20] In Estonia needs to answer to a question or complaint from a consumers within 15 days, but there is no deadline for the remedy itself.

[21] Suspension of the legal guarantee for repair, a new period for replacement.

Member States	Type of guarantee and duration of legal guarantee (years)	Suspension of the legal guarantee during repair/replacement	Exact timeframe in which to repair or replace the goods	Spare parts -obligation to maintain spare parts	Spare parts -obligation to inform consumers
Italy	Uniform (2 years)	Yes	Reasonable timeframe	No	Partially
Latvia	Uniform (2 years)	Yes	Reasonable timeframe[22]	No	No
Lithuania	Uniform (2 years)	Yes	Reasonable timeframe	No	No
Luxembourg	Uniform (2 years)	Yes	1 month	No	No
Malta	Uniform (2 years)	Yes	Reasonable timeframe	Yes	No
Poland	Uniform (2 years)	New period[23]	Reasonable timeframe	No	No
Portugal	Uniform (2 years)	New period[24]	30 days	Yes	No
Romania	Uniform (2 years)	Yes	15 days	Yes (manufacturers)	No
Slovakia	Uniform (2 years)	New period[25]	30 days	No	No
Slovenia	Uniform (2 years)	New period[26]	8 days	Yes	Yes
Spain	Uniform (2 years)	New period[27]	Reasonable timeframe	Yes	No
Sweden	Uniform (3 years)	No	Reasonable timeframe	Yes (certain cases)[28]	No
the	Differentiate	Yes	Reasonable	No	No

[22] While the reasonable timeframe is generally considered to be 30 days, there is therefore no exact legal timeframe.

[23] Only for replacement, not for repair.

[24] Only for replacement, not for repair.

[25] Only for replacement, not for repair.

[26] Only for replacement or major components of the product.

[27] Suspension of the legal guarantee for repair, a new period for replacement.

[28] If the lack of spare parts or consumables hamper the use of the goods and the consumer, at the time of purchase, had good reason to believe that the product would be usable, the product will be considered defect under the rules on factual defects of the goods found in the Consumer Sales Act (1990:932).

Member States	Type of guarantee and duration of legal guarantee (years)	Suspension of the legal guarantee during repair/replacement	Exact timeframe in which to repair or replace the goods	Spare parts -obligation to maintain spare parts	Spare parts -obligation to inform consumers
Netherlands	d		timeframe		
United Kingdom	Limitation period (6 years, 5 in Scotland)	No	Reasonable timeframe	No	No

Note: Green shading denotes Member State having introduced elements going above Directive 1999/44/EC.

2.1.1 Type and duration of legal guarantee

Member States concerned by longer guarantee periods: Finland and the Netherlands (differentiated legal guarantee period), Ireland, Sweden, and UK (longer legal guarantee period for all goods)

As shown in Table 4, in **Sweden** there is a uniform legal guarantee of three years[29].

In the UK and **Ireland** there is no legal guarantee period in the sense of Directive 1999/44/EC. However, in those Member States, consumers can claim remedies within the prescription period - five years in Scotland and six years in England, Wales and Ireland[30]. In two Member States (i.e. **Finland[31]** and the **Netherlands[32])** there is a differentiated legal guarantee period according to the type of product.

2.1.2 Suspension of the legal guarantee period during repair/replacement

Member States concerned: new period starting in Austria, Croatia, Denmark, Estonia, Greece, Hungary, Poland, Portugal, Slovakia, Slovenia, and Spain. Suspension of guarantee period in Belgium, Bulgaria, Cyprus, Ireland, Italy, Latvia, Lithuania, Luxembourg, Malta, Romania, and the Netherlands

The national laws of eleven Member States (i.e. Belgium[33], Bulgaria, Cyprus, Ireland, Italy, Latvia, Lithuania, Luxembourg, Malta, Romania and the Netherlands) provides

[29] Konsumentköplag (1990:932) [Consumer Act (1990: 932)], § 23

[30] Limitation Act 1980 (England and Wales), Section 5; Prescription and Limitation (Scotland) Act 1973, Section 6;

Statute of Limitation 1957 (Ireland), Section11;

[31] Article 5(1) of Directive 1999/44/EC has not been transposed in Finland.

[32] Burgerlijk Wetboek (Dutch Civil Code), Book 7, § 7:17 (2). From the legislative history, it becomes clear that the Dutch implementation of Article 5(1) of the Directive is deliberately open in order to accommodate in particular the fact that many goods have a much longer projected lifespan than two years. The liability period of sellers is therefore open. Buyers have to give notice two months after a defect becomes apparent, after which the limitation period of two years starts to run. See Memorie van Toelichting by the Dutch legislator for the implementing legislation of 99/44/EC, MvT, Kamerstukken II, 27 809, nr. 3. The open norm is implied in §. 7:17(2) BW about conformity. The legislative history of that article states the following characteristics may be taken into account in order to interpret conformity: whether a good was new or used, defect or not, brand good or good of unknown origin (see Parl. Gesch. Boek 7, p. 121), a wording which is now explicitly been included in the legal provision.

[33] Belgium has implemented the option provided by Recital 18 of the Directive introducing in the Article 1649 quater of the Civil Code the provision that the time used to repair or replace a defective good has to be added to the length of the legal guarantee. The provision has given rise to some conflicting interpretation by the national courts, in particular concerning the extension of the suspension to the reversal burden of proof. Thus, the Commercial Court of Mons considered that in case of lack of conformity and replacement of

for the suspension of the legal guarantee throughout the time needed by the trader for carrying out the repair or replacement of a faulty product. Additionally, in **Hungary** and **Spain**, the legal guarantee period is suspended if the faulty product is being repaired, whereas a fresh new legal guarantee period re-starts following its replacement.

Belgium is among the Member States which has made use of the option provided by Recital 18 of the Directive introducing in Article 1649 quater of the Civil Code the provision that the time used to repair or replace a defective good has to be added to the length of the legal guarantee. The provision has given rise to some expansive interpretation by the national courts, in particular concerning the extension of the suspension of the period for the reversal burden of proof. Thus, the Commercial Court of Mons considered that, in case of lack of conformity and replacement of the goods, the six-month time limit for the reversal of the burden of proof starts from the replacement of the good and not from the original sale. The Liège Court has considered that the time-limit is not running out when the parties have agreed certain specific actions, in particular that the seller would have borne the costs of certain reparations. The Court considered that the one-year legal guarantee for second hand goods was not starting from the day of the sale but from the day the seller refused to provide the reparation agreed in the sale contract. Therefore, the buyer was entitled to terminate the contract one year after the refusal of the seller to provide the required reparations.

In Austria, the suspension is recognised in case of conflict between the parties, but it is not automatic. However, the main orientation of the courts is that after a repair, or an attempt of repair, the legal guarantee starts anew. Also, if a good is handed over and a defect has been detected and the seller carried out the repairs of the good, the legal guarantee period does not begin before the completion of the repair.

In nine Member States (i.e. Austria, Croatia, Denmark, Estonia, Greece, Hungary, Poland, Portugal, Slovakia, Slovenia, Spain), a new legal guarantee period begins once the consumer receives a new or repaired product. There are however, several national variations to this principle. In Denmark, the new legal guarantee period is two years once the faulty product has been replaced, and three years once it has been repaired. In Hungary, Spain and Slovakia[34], the new legal guarantee period only recommences if the product has been replaced. In **Slovenia**, a new legal guarantee period only recommences if major components of the product have been replaced.[35] In **Austria**, in case of conflict between the parties, the legal guarantee period may be suspended. The main orientation of the courts is that after a repair, or an attempt of repair, the legal guarantee starts anew. Also, if a good is handed over and a defect has been detected and the seller carried out the repairs of the good, the legal guarantee period does not begin before the completion of the repair.

In **Greece,** Article 5 par. 5 subsections b, c, d of Law 2251/1994 provides that if there is a replacement of a product or of its spare parts, the guarantee is automatically renewed for all its duration with regard to the new product or spare part.

In **Portugal,** Article 5 of Decree Law 67/2003, as amended in 2008, provides that the two-year period of guarantee is suspended as long as the consumer is deprived of the use of goods. This is intended for both repair and replacement, and covers the period

the goods, the six months' time limit for the reversal of the burden of proof starts from the replacement of the good and not from the original sale.

[34] Article 622 (3) of the Civil Code (Občiansky zákonník).

[35] The Consumer Protection Act (ZVPot), Art.21b: http://www.pisrs.si/Pis.web/pregledPredpisa?id=ZAKO513.

during which an attempt to settle out of court/court settlement is conducted between the buyer and the seller or producer[36].

In six Member States (Czech Republic, Finland, France, Germany, Sweden, UK) the legal guarantee period continues during the time needed for repair or replacement.

2.1.3 Timeframe in which to repair or replace the goods

Member States concerned: Bulgaria, Czech Republic, France, Hungary, Luxembourg, Portugal, Romania, Slovenia, and Slovakia

In nine Member States, when consumers request repair or replacement of defective goods, there are various, established time frames in which the seller must comply. Some Member States have quantified the "reasonable amount of time" in their consumer legislation.

In **Bulgaria**, according to Article 113(2) of the Consumer Protection Act[37] the "reasonable timeframe" has been limited to one month after the date when the claim was addressed to the seller.

In **Hungary**[38]**,** the Civil Code indicates that repair or replacement shall carry out the repair within 15 days. In **Romania**[39] Ordinance 174/2008 fixed the timeline at 15 calendar days in Article 11(4), reading that "*[a]ny repair or replacement of products will be made within a reasonable period of time[…] The time period shall not exceed 15 calendar days from the date on which the purchaser has informed the seller's lack of conformity of the product*".

In **Slovenia,** the time frame is fixed at 45 days, according to Article 21b of the Consumer Protection Act.[40] In the case of defective goods, however, the conformity guarantee is applied and the consumer may demand repair of the goods from the seller according to Article 21.b of the CPA. If goods are not repaired within 45 days from the day that a manufacturer, seller or authorized service received a request for repair, they must replace the goods with the same, new and flawless goods free of charge. If the seller does not repair or replace the goods within 45 days, the consumer may cancel the contract of sale or request a price reduction.[41]

Several Member States have chosen a longer time frame, many setting it at 30 days, as is the case in the **Czech Republic,** as established in the Civil Code[42]. **Portugal** also uses a 30-day period for the provision of a remedy as included in Article 4 (2) of the Decreto Lei 67/2003, together with **Slovakia** as per Article 18 (a) of the Consumer Protection Act. In **France,** the time frame is set at one month according to Article 211-10 (1) of Ordonnance n° 2005-136. The same applies in **Luxembourg** according to Article L. 212-5(2) of the Consumer Code.

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[36] Direcção-Geral do Consumidor, Guia das Garantias na Compra e Venda (2ª versão atualizada - dezembro 2014).

[37] As amended by SG No. 18/2011.

[38] Chapter VI § 159, Hungarian Civil Code, Polgári Törvénykönyv 2013

[39] Article 11 (4) Law 449/2003 on the sale of goods and associated guarantees, republished M.Of.nr.347 / 06.05.2008 as amended by Ordinance 174/2008 published in M.Of.nr.795 / 27.11.2008.

[40] The Consumer Protection Act (ZVPot), Art.21b: http://www.pisrs.si/Pis.web/pregledPredpisa?id=ZAKO513.
Article 21b: "*If products for which a guarantee has been issued do not function perfectly or do not have the properties listed in the guarantee or advertisement, the consumer may first request that the defects be repaired. If the defects are not repaired within a period totalling 45 days from the day the manufacturer, seller or authorised service centre received the request for repair of the defects, the manufacturer must replace the product free of charge with an identical, new and perfectly functioning product*".

[41] The Consumer Protection Act (ZVPot), Art.21.b: http://www.pisrs.si/Pis.web/pregledPredpisa?id=ZAKO513.

[42] See: 89/2012 Nový občanský zákoník. Article 1850. Retrievable at; [http://www.zakonyprolidi.cz/cs/2012-89#cast4].

2.1.4 Obligation on businesses to keep spare parts or facilitate access to spare parts

Member States concerned: France, Greece, Malta, Portugal, Romania, Slovenia, Spain, and Sweden

The laws of some Member States require sellers or manufacturers to keep or facilitate access to spare parts. These vary from country to country, mostly in terms of time frame.

In **Spain**, Article 127 of the Royal Legislative Decree 1/2007 gives the buyer and users the right to post-sale assistance and to spare parts of durable goods for five years following the moment the product is no longer manufactured.

In **France**, Article L-114-4 of the Consumer Code was recently amended[43] obligating the *manufacturer* or importer to provide, within two months, spare parts to professional sellers or repairers requesting parts essential to the use of sold goods.

Similarly, in **Romania**, Article 10 of Governmental Ordinance 21/1992 on consumer protection grants certain rights to consumers, upon entering into agreements with sellers, including the right to receive necessary service and spare parts throughout the average life of the product, as set forth in the normative technical documents or declared by the producer or agreed upon by the parties[44]. This means that the obligation to provide spare parts lies with the manufacturers, rather than the seller.

In **Portugal,** Article 9(5) of Consumer Protection Act provides that the consumer has the right to receive after-sales assistance related to the supply of parts and accessories for the normal average duration period of the products supplied. This is limited to the "lifetime" of each existing product, and cannot be longer than 10 years.[45]

In **Slovenia,** the obligation is fairly comprehensive, but restricted to certain goods listed in the "*Rules of the goods covered by a guarantee for trouble-free operation*[46]" issued by the Minister for the Economy on the basis of Article 19 of the Consumer Protection Act[47]. These goods are covered by a special guarantee of at least one year to be provided by the manufacturer to guarantee flawless operation. The entity issuing the guarantee must provide maintenance, spare parts and coupling devices for at least another three years after expiry of the legal guarantee period of two years.[48]

Similarly, in **Greece**, the duty to secure performance of the good sold is contained within Article 288 of the Civil Code, which creates a duty to ensure the availability of spare parts for the whole duration of the products' lifespan. Article 5(3) and (7) of Law 2251/1994 provides that "*Every physical or legal entity which provides, in the context of his professional, commercial or business activity, directly to the consumer consumable products, is obliged to repair the product, within the limits of the guarantee provided for it either in the contract or by law, free of charge. If the product is no longer covered by the guarantee, but it is still within the possible duration of its life, the supplier must ensure to its repair and the provision of its spare parts"*[49]. In addition, the supplier must ensure that consumers have easy access to spare parts and any other products required for the use of the durables for their intended purpose, and for all the estimated duration of their lives.

[43] Ordonnance n° 2016-301 du 14 mars 2016 relative à la partie législative du code de la consommation.

[44] Study on all mandatory rules applicable, above, p.25

[45] Article 6 of the Decree Law 67/2003 as amended.

[46] Pravilnik o blagu, za katero se izda garancija za brezhibno delovanje (Rules of the Goods Covered by a Guarantee for Trouble Free Operation). Accessible here: https://www.uradni-list.si/1/content?id=107564.

[47] Accessible here: http://www.pisrs.si/Pis.web/pregledPredpisa?id=ZAKO513.

[48] The Consumer Protection Act (ZVPot), Art.20: http://www.pisrs.si/Pis.web/pregledPredpisa?id=ZAKO513.

[49] Art. 5(4) and Art. 5(7) of Law 2251/1994.

In **Sweden**, according to the Consumer Sales Act (1990:932), if the lack of spare parts or consumables hampers the use of the goods and the consumer, at the time of purchase, had good reason to believe that the product would be usable, the product will be considered defective under the rules on factual defects of the goods found in the Consumer Sales Act (1990:932)[50].

In **Malta,** the 1996 Consumer Affairs Act[51] specifies that, if goods sold to consumers require replacement of parts, they must be made available for a reasonable time from the delivery date, although the seller can opt out by specifically warning the consumer in writing that he does not supply spare parts.

2.1.5 Obligation to inform the consumer about the availability of spare parts

Member States concerned: Italy, France, and Slovenia

In **France**, from 1st March 2016[52], manufacturers and importers are obliged to inform the seller how long spare parts will be available from the repairer. This information must be provided clearly and visibly to the buyer (consumer) before the conclusion of the sale.[53] The law states that the manufacturer provides the information to the seller and the seller passes it onto the buyer (consumer) at the point of the purchase.[54]

Italy has no information obligation per se, yet requires the seller to inform the consumer if the goods are out of production and to be transparent about the availability of technical assistance as per Article 21 (b) of the Consumer Code[55] and on the legal basis of the right to fairness, transparency and equity in contractual relations enshrined therein.[56]

In **Slovenia**, Article 20 of the Consumer Protection Act as amended by Act 78/2011[57] requires the availability of spare parts for three-years after the expiration of the guarantee.

[50] Study on all mandatory rules applicable, above, p.25.

[51] See Consumer Affairs Act (1996): http://www.justiceservices.gov.mt/DownloadDocument.aspx?app=lom&itemid=8845

[52] Article L-111-4 of the Consumer Code as amended by Ordonnance n° 2016-301 of 14 March 2016 on the legislative part of the Consumer Code.

[53] Article L112-1 indicates that "Any vendor or service provider should inform the consumer, by way of marking, labeling, display or by any other appropriate means… " (Tout vendeur de produit ou tout prestataire de services informe le consommateur, par voie de marquage, d'étiquetage, d'affichage ou par tout autre procédé approprié…)

[54] As indicated in the law "The manufacturer or importer of movable property shall inform the professional seller of the period during which or the date until which the spare parts which are essential for the use of the goods are available on the market. This information is compulsorily issued to the consumer by the seller in a legible manner before the conclusion of the contract and confirmed in writing when the goods are purchased" («Le fabricant ou l'importateur de biens meubles informe le vendeur professionnel de la période pendant laquelle ou de la date jusqu'à laquelle les pièces détachées indispensables à l'utilisation des biens sont disponibles sur le marché. Cette information est délivrée obligatoirement au consommateur par le vendeur de manière lisible avant la conclusion du contrat et confirmée par écrit lors de l'achat du bien«)

[55] Retrievable here: [http://www.aduc.it/generale/files/allegati/codiceconsumo.pdf].

[56] The Antitrust Authority (Autorità Garante della Concorrenza e del Mercato - AGCM) has powers to investigate potential breaches of the Consumer Code and may impose a financial sanction and/ or require rectification from the guilty party as well as termination of the action identified as being in breach. This concept is discussed further below in relation to the obligation to keep spare parts. The sanctions for not complying with the above provisions are mainly fines of varying degrees.

[57] Act amending the Consumer Protection Act (ZVPot-E, Official Gazette of the Republic of Slovenia, No 78/2011)

Box 3. Planned obsolescence

Planned or programmed obsolescence is the policy of purposely designing a product with a limited life-span[58]. While there is intense debate about the definitions and characteristics of planned obsolescence – most of which goes beyond the purpose of the relevance for this study – certain elements of this debate are equally relevant for the discussion on the impacts of a longer legal guarantee or information about and accessibility of spare parts.

A specific form of planned obsolescence may arise, for example, for some white or brown goods (such as a washing machine or printer) where certain elements break down and need replacing but for which repair is too costly or cumbersome or spare parts are not available, particularly when this happens just after the legal guarantee period expires.

Little evidence is available on the scale of this type of alleged planned obsolescence and the direct and indirect impacts on consumers in higher costs, and on retailers in disputes surrounding such cases. Nonetheless, there is ample discussion around the EU on the topic of planned obsolescence and while consumer associations consulted for this study argued in favour of a longer legal guarantees and obligations to keep spare parts to benefit the environment, this was contested by some business associations that argued that discussion risks confusing different concepts and project a negative image of business in general. The growing attention for the issue of planned obsolescence, the uptake in studies and media attention, as well as legislative developments in the Member States[59] highlight the increasing importance of this issue. The debate surrounding the transversal issue of planned obsolescence – going beyond Directive 1999/44/EC itself – should thus be seen as an element in the wider discussion on the impacts of the policy options introduced in Section 3 of this report: those relating to a longer legal guarantee period (Section 3.1.1), a differentiated legal guarantee period (3.1.2), the obligation to inform consumers about the availability of spare parts (3.1.4) and the obligation to keep spare parts (3.1.5).

[58] European Parliament Research Service (2016), Planned obsolescence: Exploring the issue, http://www.europarl.europa.eu/RegData/etudes/BRIE/2016/581999/EPRS_BRI(2016)581999_EN.pdf

[59] For example in **I**taly the issue of planned obsolescence was addressed in the draft law "*Disposizioni per il contrasto dell'obsolescenza programmata dei beni di consumo"*[59] on combatting planned obsolescence, The draft includes two measures that are relevant for this study. Article 4 would require both manufacturers and final sellers to inform consumers about the reparability of the good while obliging manufacturers to provide spare parts for the length of market availability of the good plus 5 more years. The draft also requires the price of spare parts to be proportionate to the value of the product. In Belgium the senate adopted a resolution against planned obsolescence in February 2012 exhorting the government to combat planned obsolescence by "promoting the prevention of planned obsolescence and by discouraging the development and marketing of energy-related products with a deliberately limited lifespan.

3 Impacts of potential policy options

This section discusses the potential impact of introducing the following legislative changes:

- The introduction of a fully harmonised legal guarantee period of (a) three years or (b) five years, and the role of the use of commercial guarantees in understanding the impact on a longer legal guarantee period.
- Introduction of a differentiated legal guarantee period depending on product category/ characteristics.
- Granting consumers the right to freely terminate the contract if a seller fails to repair or replace a faulty good within a specific timeframe.
- Obligation on sellers to keep spare parts for a minimum period and/or for certain types of durable goods and obligation on sellers to inform consumers about the availability of spare parts.

3.1 Potential impacts of the introduction of specific changes to the Directive

Following the points raised in Section 1, it should be reiterated that the study consulted stakeholders in 16 out of 28 Member States, while many stakeholders (across all categories) had only limited evidence and data on the current situation in Member States, or in estimating potential impacts of policy options. Any results from the stakeholder consultations or business interviews should, therefore, be read with caution and considered within the context provided.

3.1.1 The introduction of a uniform legal guarantee period of three or five years

Introducing a uniform legal guarantee period of three years would imply a change in the national law of all Member States except for Sweden. These 27 Member States represent 98.1% of the EU population and house more than 3 million retailers, or approximately 98.3% of the retail base in the EU.

Introduction of a uniform legal guarantee period of five years would affect all jurisdictions except Scotland (while impact in England, Wales and Northern Ireland would be much reduced compared to other Member States). The 26 Member States that would be affected represent 87.2% of the EU population and 94.7% of retailers.

It should be emphasised that a uniform *legal guarantee of either three or five years would also impact retailers and consumers in Member States that currently have an equivalent legal guarantee period nationally. This is because it would impact cross-border sales, thus the case for retailers from Sweden, Ireland and the UK, and consumers shopping cross border. According to Flash Eurobarometer 396 in 2014/2015 about 28% of retailers sold products to at least one other Member State.[60] At the same time, according to the Eurostat Community Survey in 2014 about 15% of the EU population had bought goods online from a seller in another Member State in the past 12 months[61], while according to Flash Eurobarometer 397 19% bought online in the past 12 months from a seller in another EU Member State and 12% bought products in another Member State via channels other than the internet.[62]*

The specific potential impacts of a longer legal guarantee period on retailers and consumers are discussed below.

[60] Flash Eurobarometer 396: Retailers' attitudes towards cross-border trade and consumer protection: https://www.europeandataportal.eu/data/en/dataset/s2032_396_eng.

[61] Eurostat Community Survey on ICT usage in households and by individuals 2014 (isoc_ec_ibuy), (% of population who ordered goods or services over the Internet from national sellers / from sellers from other EU countries / from sellers from the rest of the world (non-EU) in the last 12 months)

[62] Flash Eurobarometer 397, p.6-8, http://ec.europa.eu/COMMFrontOffice/publicopinion/index.cfm/ResultDoc/download/DocumentKy/67562

3.1.1.1 Impacts of a longer guarantee period on consumers and businesses

In theory, a longer legal guarantee period should reduce consumer detriment associated with defects discovered after the legal period of two years, because the remedies set out in the Directive would be available for a longer period.

This study tested this hypothesis using micro-data from the parallel consumer market study (lot 3)[63].

First, the relationship between the duration of the legal guarantee period in EU Member States and various indicators of consumer detriment was statistically analysed and generated the following results[64]:

- There is a positive association between the duration of the guarantee period and the occurrence of problems relating to defective goods as stated by consumers in the survey, i.e. in Member States with longer guarantee periods (Finland, Ireland, the Netherlands, Sweden and the UK), consumers reported having experienced, in the past year, problems relating to defective goods more often than in other Member States.[65] Self-reported data on occurrence of the problems experienced by consumers should, however, be interpreted cautiously because, not only does it depend on the respondent's ability to accurately recall the frequency of the problems encountered, but also on cultural factors such as consumer expectations, levels of empowerment, etc.[66]
- There is a positive relationship between the duration of the guarantee period and the share of consumers receiving redress for their last reported problem with defective good, i.e. in countries with longer guarantee periods (than two years), respondents obtained redress more often.
- There is a negative relationship between the duration of the guarantee period and the cost of time spent by consumers on resolving their last reported problem with defective good i.e. based on the data analysed, in countries with longer guarantee periods, respondents reportedly spent less time on resolving the problem.
- No evidence was found as part of this micro-level statistical test of a relationship between the duration of the guarantee period and net financial consumer detriment / the cost of administrative follow-up for consumers regarding their last reported problem with defective good.

While this analysis shows a link between the various variables, it does not indicate causality. It is, therefore, not possible to conclude whether the lower level of consumer detriment is due to the duration of the legal guarantee or rather due to other explanatory factors such as a potentially more effective enforcement framework regarding guarantee rights, the underlying characteristics of the products themselves, a more forthcoming attitude of retailers, or better access to redress in the countries concerned.

A second level of analysis was carried out to determine the detriment resulting from the last reported problem with defective goods depending on the time of discovery of the defect after the purchase (<2 years, 2-3 years, 3-5 years and >5 years).

[63] Consumer market study to support the fitness check of the Consumer Law (Lot 3), European Commission, DG Justice and Consumers, forthcoming.

[64] Only statistically significant results are reported.

[65] Ibidem, question 14 of the survey.

[66] It should be noted that what was tested is relationship between the legal guarantee period and complaints, not the relationship between the period over which defects were detected and complaints.

Table 5 provides an overview of the age of the defective product (most recent problem case) for all 28 EU Member States, ranging from less than one month to more than five years.

It should be noted, however, that this is based on self-reported data from consumers, and inferences should be drawn with caution.

Table 5. Age of the defective product (most recent problem case) at country-level (Q17)

	Less than 1 month	Between 1-6 months	Between 6 months and 1 year	Between 1 year and 2 years	Between 2 years and 3 years	Between 3 and 5 years	More than 5 years
EU28	**45%**	**26%**	**16%**	**9%**	**2%**	**1%**	**1%**
Estonia	63%	22%	9%	5%	1%	0%	1%
Hungary	56%	28%	8%	4%	2%	1%	0%
Croatia	60%	23%	7%	7%	1%	1%	0%
Lithuania	53%	29%	9%	5%	4%	0%	1%
Slovenia	56%	25%	10%	4%	2%	1%	1%
Sweden	60%	20%	12%	6%	2%	0%	0%
Luxembourg	50%	30%	8%	6%	4%	1%	1%
Bulgaria	51%	28%	12%	7%	1%	1%	0%
Greece	47%	32%	10%	7%	2%	1%	1%
Latvia	49%	27%	12%	8%	2%	1%	1%
Finland	52%	21%	14%	7%	3%	2%	2%
Netherlands	49%	24%	13%	7%	4%	1%	1%
Spain	43%	30%	16%	8%	1%	0%	1%
Czech Republic	46%	27%	15%	9%	1%	1%	1%
Portugal	47%	25%	16%	9%	2%	0%	1%
Romania	47%	24%	19%	8%	2%	1%	1%
Malta	46%	24%	19%	6%	3%	1%	1%
Austria	49%	21%	13%	12%	3%	1%	1%
Ireland	44%	26%	18%	8%	2%	0%	2%
Poland	40%	29%	20%	8%	2%	1%	0%
Germany	44%	24%	16%	10%	2%	1%	1%

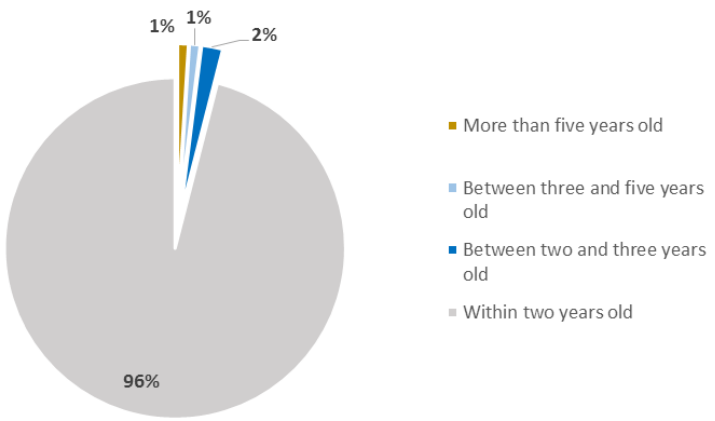
	Less than 1 month	Between 1-6 months	Between 6 months and 1 year	Between 1 year and 2 years	Between 2 years and 3 years	Between 3 and 5 years	More than 5 years
France	43%	26%	17%	10%	2%	1%	2%
Cyprus	40%	29%	19%	9%	1%	1%	1%
Italy	43%	25%	19%	9%	3%	1%	1%
United Kingdom	43%	25%	19%	7%	2%	1%	3%
Denmark	46%	21%	17%	11%	3%	1%	2%
Belgium	43%	23%	17%	13%	3%	1%	1%
Slovakia	36%	28%	17%	16%	3%	0%	0%

Base: Respondents selecting the option "defective goods" to problem type and "very often", "often", "sometimes", "rarely" to frequency of occurrence in response to the following question(Q14): Over the past 12 months, how often have you experienced problem(s) with any goods or services where you thought you had a legitimate cause for complaint related to the following five problem types? (n = 14,108).

Note: grey shading denotes Member States with a legal guarantee period beyond two years.

According to this data, about 2% of the respondents who had experienced a problem relating to defective products during the last 12 months claimed that the defects were discovered between two and three years of purchase, 1% claimed that the defects were discovered between three and five years of purchase, and 1% claimed that the defects were discovered more than five years of purchase, as shown in Figure 4.

Figure 4. Time lapse in discover of defect – share of respondents who had experienced a problem relating to defective products during the last 12 months (EU 28 average)



Source: Consumer market study to support the fitness check of the Consumer Law, European Commission, DG Justice and Consumers, forthcoming.

Table 6 lists the goods covered by the survey.

Table 6. Product type of the last reported defective good (Q21a, Q21b)

Product category
Food and drink
Detergents / cleaning products
Clothing, footwear and accessories
Beauty, health and wellness
Entertainment - books, magazines, Vinyl, CDs/ DVDs (movies, music, games)
Sports and outdoors
Toys
Electronic/ digital goods (cameras, laptops, gaming consoles, mobile phones, tablets etc.)
Small household appliances (e.g. toasters, kettles, etc.)
Large household appliances (e.g. dish washers, washing machines etc.)
Furniture, furnishings and decoration (including do-it-yourself goods and maintenance products)
Cars, motorbikes, bikes or parts
Collectibles, fine arts
Other

Source: ICF analysis of data from Consumer market study to support the fitness check of the Consumer Law (Lot 3), European Commission, DG Justice and Consumers (forthcoming).

Surprisingly, average gross and net consumer detriment per consumer are lower when defects are discovered more than three years after purchase. Digging deeper, this is because much of the detriment associated with defects discovered more than three years after purchase arises from relatively cheaper goods (e.g. clothing and food).

These patterns (particularly discovery of 'defects' in food items after three years of purchase) are odd and caution is recommended in drawing conclusions from this data. The reliability of data reduces over this time frame due to memory recall issues (consumers not being able to remember details of behaviour from a long time before).

The results of this analysis[67] are presented in Table 7. It shows that the total value of net financial detriment resulting from defects discovered after two years of purchase were derived to be 7-10% of the net financial detriment resulting from all purchases involving defective products.[68] Annex 2 provides further detail.

[67] The approach to the detriment analyses is explained in the introduction.

[68] To note that these calculations are based on detriment experienced by consumers as a result of most recent problem with defective goods (and not all problems with defective goods experienced during the last 12 months). As such it conservatively estimates the value of net financial detriment.

Table 7. Consumer detriment resulting from defects during different time periods

Indicator	Bound	Time period for discovery of defect*				
		Defects discovered less than 2 years of purchase	Defects discovered between 2 and 3 years of purchase	Defects discovered between 3 and 5 years of purchase	Defects discovered more than 5 years of purchase	Average across all time periods
Average gross detriment per consumer (EUR)**	*Lower*	113	200	104	101	115
	Upper	185	307	181	173	187
Average Net Detriment per Consumer (EUR)**	*Lower bound*	32	109	40	64	34
	Upper bound	52	170	56	109	53
% consumers who experienced a problem with at least one defective good in the last 12 months did so within indicated timespan		57%	1.3%	0.5%	0.7%	59%[69]
EU population aged 18-94 (millions)		412				
Net consumer detriment EUR million		7,494	584	82	185	8,304
		12,177	911	115	315	12,945

ICF analysis of data from the Consumer market study to support the fitness check of the Consumer Law, European Commission, DG Justice and Consumers (forthcoming). *Survey *question (Q17): You said that in the past 12 months you experienced a problem with at least one defective good. Considering your most recent experience of this problem, how long was it after the purchase that the good turned out to be defective?*

1. Less than 1 month
2. Between 1-6 months
3. Between 6 months and 1 year
4. Between 1 year and 2 years
5. Between 2 years and 3 years
5. Between 3 and 5 years
6. More than 5 years

**Based on detriment associated with most recent reported problem only.

Impacts on businesses

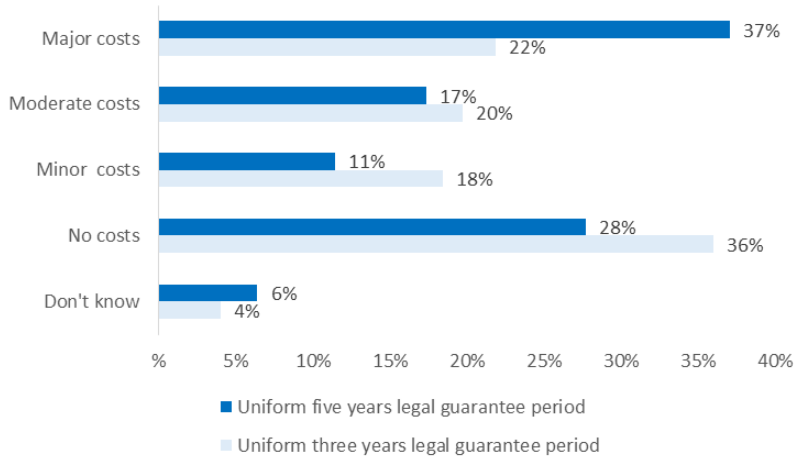
Data on the impacts of a longer guarantee was also collected via business interviews conducted across 15 countries.

More than a third (37%) of retailers felt that a uniform legal guarantee of *five years* would generate major costs and a further 17% thought that this would generate moderate costs. Conversely, 28% of respondents stated that this would lead to no extra cost. Impacts of a uniform three year legal guarantee are considered to be less costly for businesses than a uniform five year legal guarantee period, as would be expected. More than a fifth of respondents (22%) expect major costs in the event of a uniform three year legal guarantee period, while exactly one fifth expect moderate costs, or a combined 42% of respondents.

When assessing the results it is very important to bear in mind that not all retailers would be impacted to the same extent. Figure 4.refers to averages whereas sector specific results would likely be much more differentiated.

An overview of responses is shown in Figure 5.

Figure 5. Expected impacts of a uniform three years and five years legal guarantee period



Source: Ipsos business interviews, n=375.

Respondents from the Netherlands, Finland, Sweden, and the UK – that currently have a legal guarantee period longer than two years – were less likely to view a uniform extension to three as either a major or moderate cost. This was also the case for the Netherlands and the UK for an extension to five years, but not for respondents from Finland and Sweden. In view of the sample sizes, inferences from these findings should be made with caution. It should also be pointed out that due to limited knowledge of the legal guarantee period in their own Member State among some respondents, their views on possible costs are influenced by an incorrect understanding of the legal guarantee period.

Businesses in these Member States with a longer legal guarantee period than two years were also asked to indicate the order of magnitude of the costs of complying with such a longer period. Sixteen businesses provided an indication of the annual cost of legal guarantees as a percentage of their turnover.

The figures ranged from 0% to 10%, with the average being 2.67% of turnover of that company. Of the 16 businesses that provided data on the annual cost of legal guarantees, six businesses engage in cross-border sales and the remaining 10 only sell domestically. For the former group, the cost of guarantees reportedly ranges from 0 to 2% of their turnover, with the average being 1%. For businesses selling

domestically only, the annual cost of guarantees ranges from 0 to 10% of their turnover, with the average being 3.67%. The group of 16 respondents comprised:

- 5 micro businesses (average cost of guarantees = 3.15% of turnover);
- 8 small businesses (average cost of guarantees = 1.8% of turnover); and
- 3 medium sized businesses (average cost of guarantees = 2.67% of turnover).[70]

Given the very small sample sizes, inferences from this data should be made with caution. Nonetheless, this would mean that costs of roughly 2-3% of turnover would apply to retailers currently having a legal guarantee period of two years. For a three-year legal guarantee period the impact on turnover would be smaller than for a five-year legal guarantee period.

The study team contacted several interviews with a number of major European business associations to validate the figures on expected compliance costs. Those who responded indicated that it was "next to impossible" to quantify the respective costs as an average concerning all types of products as these costs are a function of product type. Moreover, retailers have different arrangements as regards how far costs of legal guarantees are passed on to manufacturers and/or customers. Businesses were asked to indicate who bears the cost of the legal guarantee if the guarantee is longer than the commercial guarantee offered by the manufacturer (such as in the United Kingdom and Ireland).

The majority of respondents (45%) stated that the cost is ultimately borne by their own company. According to a third of respondents (33%) the cost is partially passed back to the manufacturer/ supplier. Only a small percentage of respondents (13%) stated that the cost of the legal guarantee is fully passed on to the manufacturer/ supplier.

Representatives from all categories consulted agreed that there is a potential burden resulting from an increase in the length of legal guarantee. An Italian business association expects an increase of any length in the legal guarantee to invariably lead to an increase in the price of consumer goods because manufacturers would shift this cost onto retailers, a possibility also mentioned by Dutch, Latvian, Danish, German (outlined further below) and French businesses and business associations, with the latter putting the increase in prices at 7% for three years and 15% for five years. These last figures were quoted by a French business association, although the data underpinning this estimate could not be obtained. From Dutch, Danish and Latvian businesses and businesses associations no evidence was obtained to support their expectation of price hikes.

Other studies

A reported and identified source of quantitative data is a study[71] conducted by UCF Que Choisir (French consumer association) which took place between September 2015 and April 2016[72]. According to this study, if the legal guarantee period were extended from two to five years in France, this would lead to a potential increase in consumer prices of 1% to 2.9%.[73]

[70] The approach to the detriment analyses is explained in the introduction.

[70] To note that these calculations are basd be €53,400.

[71] Que Choisir, May 2016. Extension á 2 ans de la garantie légale: une information du consommateur loin d'être garantie!

[72] Key driver would be additional costs related to the repair.

[73] QueChoisir, « Extension à 2 ans de la garantie légale: Une information du consommateur loin d'être garantie ! » (May 2015): https://www.quechoisir.org/dossier-de-presse-extension-a-2-ans-de-la-garantie-legale-une-information-du-consommateur-loin-d-etre-garantie-n12641/?dl=15939. It should be noted that the methodological explanations are very limited.

It should be noted that it was a small survey focusing on only three types of household appliances and these findings alone are not sufficient to estimate impacts on price. It does show that increases in prices could happen for certain products in certain sectors. On the other hand, a longer uniform legal guarantee period, if established at EU level, could potentially create a more level playing field across the EU and increases in consumer prices could be partially offset by increased (cross-border) competition.

The study concluded that an increase in the length of the legal guarantee period could on balance still be desirable for consumers when considering the benefits of a longer legal guarantee period (such as longer durability of a good, lower costs of repairs as well as potential environmental benefits and higher pressure on producers of less durable products), but it did not provide any evidence on these impacts.

Similarly in Germany, a 2010 survey of 700 German businesses published by the Deutscher Industrie- und Handelskammertag, showed that 65% of representatives expected price hikes even with an extension of the legal guarantee by just one year (from two to three years), and one third of respondents expect to pass on price rises of more than 5%.[74] However, a 2016 Study by the German consumer association Verbraucherzentrale argued that price hikes could only be expected in the immediate term and only for some sectors, arguing that increased competition could actually lead to price reductions a few years' later, thus offsetting potential initial price increases.[75]

In addition to higher costs leading to higher prices, consumers might also be more willing to pay for a product with a higher legal guarantee period. There is limited information on the impact on consumer spending if the legal guarantee period were uniformly extended across the EU. Nonetheless, the findings from the recent behavioural research carried out by the parallel Consumer Market Study (lot 3) revealed that providing durability and reparability information succeeds in informing consumers about the durability and reparability of products. The study concluded that there are "*strong effects of the presence of durability and reparability information. If durability information was present (as compared to absent), a shift in choices was observed towards the more durable products. Similarly, if reparability information was present, a shift in choices was observed towards products with higher reparability.*

The results show that: (1) if durability and reparability information was present, respondents used it in decision-making, and (2) durability information had a stronger impact on choices than reparability information.

The effect of reparability information on respondents' choice for products with higher reparability depended on the type of information presented. The increase in the choice for products with higher reparability (relative to the baseline product) as a result of presenting reparability information was stronger if the information is provided in terms of the availability of spare parts (ease of repairing) than if it was provided in terms of the costs of spare parts (costs of repairing). For example, when reparability information was absent, 33% of respondents who selected a product of low durability chose the product with high reparability. This percentage increased to 40% when information on the average costs of spare parts was provided, and to 44% when information on the ease of repairing was provided.

While the type of durability information had some effect on the respondents' choice for less durable products, the analysis does not point to any differences in the effectiveness of the different types of durability information – in years versus in units

[74] See: http://www.marketing-boerse.de/News/details/Laengere-Gewaehrleistung-kommt-Unternehmen-und-Kunden-teuer-zu-stehen/23974

[75] Verbraucherzentrale, September 2016, DIE ÖKONOMISCHEN AUSWIRKUNGEN EINER VERBESSERUNG DES DEUTSCHEN GEWÄHRLEISTUNGSRECHTS: http://www.vzbv.de/sites/default/files/vzbv_studie_verbesserung_des_deutschen_gewaehrleistungsrechts.pdf

– *in promoting more durable product choices."* Consumers thus find this information important, as reflected by positive effects of durability and reparability information on choice behaviour and willingness-to-pay for more durable and reparable products, respectively.

According to a Eurobarometer survey[76], 66% of European consumers would be willing to pay more for a product if the guarantee period was extended to five years, although these statements are not qualified for the type of goods. No data exists from the UK, Ireland, Sweden, Finland and the Netherlands whether spending was higher as a result of a change in the legal guarantee period. Nonetheless, the evidence derived from (certain) consumers buying a commercial guarantee highlights that willingness-to-pay is also an important factor (see more below).

Impact on businesses of a uniform three-year and, particularly, five-year guarantee may be relevant, depending on the importance of repair services and the sale of commercial guarantees for their revenue models.

Revenues from commercial guarantees may still be important even under an extended legal guarantee period of three years or five years, as illustrated by the fact that even in Member States with a longer legal guarantee, such as Ireland and the UK, respectively 19% and 14% of consumers bought a commercial guarantee. In these countries, commercial guarantees typically include additional services such as annual maintenance, courtesy replacement during repairs etc.

The Consumer market study on the functioning of legal and commercial guarantees for consumers in the EU showed that 99% of paid-for commercial guarantees lasted five years or less.[77] Further information about the percentage of commercial guarantees in each country going beyond the length of the legal guarantee is not available.

Use of repair services and the possible impacts of a longer legal guarantee

A paper by French business associations highlighted that outside guarantee repairs are key to the revenue model of some sellers, and that an extension of the legal guarantee could put them in economic jeopardy leading to lower investment in innovation and research and development, and potential job losses in that sector of activity, particularly in the social economy sector where repairs are carried out and second hand and discarded products are re-sold.

A 2012 survey[78] by Ipsos for ADEME (L'Agence de l'environnement et de la maîtrise de l'énergie) and GIFAM (Groupement interprofessionnel des fabricants d'appareils d'équipement ménager) showed that in the sector of white and brown goods, 31% of consumers were confronted with a faulty product, of which 45% had it replaced, 19% repaired it themselves and 26% had it repaired by the seller. Importantly, for 85% of the consumers with an issue, the product was no longer in guarantee. This suggests the importance of paid-for after sales services of certain retailers. In 2011, 586 million white and brown goods were sold in France alone. The figures above showed that 6.9%[79] of consumers had a faulty product out of guarantee for which they opted for

[76] Flash Eurobarometer 367. Attitudes of Europeans towards building the single market for green products: http://ec.europa.eu/public_opinion/flash/fl_367_sum_en.pdf

[77] European Commission, DG Justice and Consumers, Consumer market study on the functioning of legal and commercial guarantees for consumers in the EU (December 2015), p.101: http://ec.europa.eu/consumers/consumer_evidence/market_studies/docs/legalguaranteesfinal_report_en.pdf

[78] Ipsos Mori (August 2012), LA PERCEPTION DU SAV PAR LE CONSOMMATEURDANS LE DOMAINE DU GROS ELECTROMENAGER, https://www.ademe.fr/sites/default/files/assets/documents/85918_perception-du-sav-dans-gem.pdf

[79] This is derived by multiplying the 31% of consumers who were confronted with a faulty product with the 26% of consumers that had it repaired by the seller and for 85% the product was no longer covered by a legal guarantee.

paid repair. This would mean that in France over 40 million goods needed repair through paid after-sales services.

Based on the number of retailers of white and brown goods in the EU (378,210[80]) and average number of products sold by the 35,339 retailers of white and brown goods in France in 2014, there could be up to 12.7 billion white and brown goods sold in the EU annually.

Around only 6.9% of products would need a paid repair after the expiry of the legal guarantee based on the French figures, and around 4% of products would need paid repair based on the Consumer market study to support the fitness check of the Consumer Law (Lot 3). Based on the 2015 Survey of the Consumer Market Study on the functioning of the legal and commercial guarantees market study, 3% of consumers who contacted the seller ended up paying for the repair of the product, while for another 2% the legal guarantee had expired, totalling about 5% of consumers.[81] This means that ranging between 4% and 6.9% of products need paid repair after the expiry of the legal guarantee, around 508 million and 876 million products would need paid repair.

In the case of a three-year legal guarantee, it would cover an additional 254 to 438 million products that would break between two and three years of age, while a five-year guarantee would cover an additional 127 million to 219 million products that would turn out to be defective between a period of three and five years and longer than five years.[82]

It should also be noted that not all consumers opt for repairs. Almost half (47%) of respondents to Flash Eurobarometer 367 reported that they decided not to have a faulty product repaired in the past 12 months because the repair costs were too high.[83]

Also, not all consumers take action following the discovery of a faulty product. In regards to the propensity of consumers to take action following a faulty product, across the EU, 88% of consumers took action to address a faulty product, ranging from 73% for clothing or shoes and 95% for a new car, according to the Consumer Survey of the Consumer Market Study on the functioning of the legal and commercial guarantees market study.[84]

Consumers estimated their own financial loss due to a faulty product at an average of EUR 81. The median loss was derived at being EUR 12. This includes travel costs, cost of repairs, cost of expert advice, reduction in value of the product[85], but this very much depends on the type of product.

[80] Eurostat Annual detailed enterprise statistics for trade (NACE Rev. 2 G) [sbs_na_dt_r2], G46.4 and G46.5 for the year 2014, except Ireland (2011) and Malta (no data).

[81] Ipsos-London Economics-Deloitte (2015), Study on legal and market guarantees, p.198: http://ec.europa.eu/consumers/consumer_evidence/market_studies/docs/legalguaranteesfinal_report_en.pdf

[82] The explanation of these figures is follows: based on 876 million products quoted in the text (total products sold in the EU multiplied by the share that need repair services) for which paid repair is needed. Around half of those are needed between the second and third year of the product (corresponding to the 2% of products) and a quarter between 3 and 5 years and longer than 5 years.

[83] Flash Eurobarometer 367, Attitudes of Europeans towards building the single market for green product: http://ec.europa.eu/public_opinion/flash/fl_367_en.pdf

[84] Ipsos-London Economics-Deloitte (2015), Study on legal and market guarantees, p.168-169: http://ec.europa.eu/consumers/consumer_evidence/market_studies/docs/legalguaranteesfinal_report_en.pdf

[85] DG Justice and Consumers, "Consumer market study on the functioning of legal and commercial guarantees for consumers in the EU" (December 2015), p.189: http://ec.europa.eu/consumers/consumer_evidence/market_studies/docs/legalguaranteesfinal_report_en.pdf

Finally, it should be noted that while some retailers depend on revenues from repair services a part of the costs saved by consumers for no longer having to pay for repairs in the event of a longer legal guarantee period (i.e. the assumption of between EUR 30 and EUR 100) might also translate into additional consumer spending (or re-payment of debt or to build consumer saving). There is little data on the share of consumption in households or their exact expenditure, but a Eurostat EU-27 analysis of household expenditure data showed that approximately 6.2% of household income was spent on furnishings, household equipment and routine maintenance[86].

Use of commercial guarantees and the possible impacts of a longer legal guarantee

What also highlights the importance of the economic model of businesses that could be impacted by a change in the *legal* guarantee is the purpose and use of *commercial* guarantees. Commercial guarantees can be offered by retailers themselves and by manufacturers. If retailers rely on securing revenues from selling commercial guarantees, a longer uniform legal guarantee in the EU would impact this revenue model for the retailers for whom this is an important part of their revenue model.

At the same time, if consumers are willing to pay a certain amount for a commercial guarantee extending the length of the guarantee, they may be willing to pay a higher price for a longer legal guarantee period. How far sales of commercial guarantee actually generate a profit for a given retailer depends on factors such as take-up of commercial guarantees, the nature of the commercial guarantee, duration of the commercial guarantee, defectiveness of a product for which commercial guarantee is sold, propensity of consumers in a given Member State to claim guarantee rights, and even completely exogenous factors such as changes in the number of theft or burglary incidents against which some retailers provide insurance.

In general, paid commercial guarantees are widespread across the EU, although commercial guarantees as such have to be free in Latvia, Finland and Slovenia.[87] If they are sold as 'insurance' they can still pass as a kind of commercial guarantee even in these three countries.

According to the 2015 Consumer Market Study on the functioning of the legal and commercial guarantees, take-up of commercial guarantees was on average 28%, meaning that more than a quarter of products purchased by consumers was also covered by a commercial guarantee. There are, however, variations by sector, ranging from clothing or shoes (10%) to a washing machine or dryer (40%).[88]

Information from the 2015 Consumer Market Study on the functioning of the legal and commercial guarantees showed that among consumers surveyed across the EU 75% of commercial guarantee purchased were bought from the retailer, as opposed to 10% from the manufacturer and 10% from an insurance company.[89]

According to the same study, with regard to the nature of the commercial guarantee, for 69% of consumers surveyed, the paid commercial guarantee was effectively an extension of the legal guarantee, while 24% offered 'additional services' and 30% were rather an insurance-based guarantee covering accidental damage and theft.[90] At

[86] Eurostat: Analysis of EU-27 household final consumption expenditure: http://ec.europa.eu/eurostat/en/web/products-statistics-in-focus/-/KS-SF-13-002

[87] Study carried out by European Consumer Centres: http://www.europe-consommateurs.eu/fileadmin/user_upload/eu-consommateurs/PDFs/PDF_EN/REPORT-_GUARANTEE/tableau_EN_Legal_commercial.pdf

[88] DG Justice and Consumers, "Consumer market study on the functioning of legal and commercial guarantees for consumers in the EU" (December 2015), p.115. The study is available at the following link: , http://ec.europa.eu/consumers/consumer_evidence/market_studies/docs/legalguaranteesfinal_report_en.pdf

[89] Ibidem, p.115.

[90] Ibidem, p.116.

the same time, 45% of consumers indicated they explicitly buy a commercial guarantee with the aim of extending the legal guarantee period.[91] On the other hand, the take up of commercial guarantees in Member States with a longer legal guarantee, such as Ireland (19% of consumers bought a commercial guarantee) and the UK (14%), shows the importance of the additional services provided by the commercial guarantees.

According to the 2015 Consumer market study on the functioning of legal and commercial guarantees for consumers in the EU, 22% of consumers across the EU-28 had bought a commercial guarantee in the past three years[92], ranging from 7% in Latvia (where commercial guarantees must be free) to 33% in Portugal and 32% in Italy. This shows that, generally, commercial guarantees are an important element of the revenue model of some retailers, including in countries that have already a longer guarantee period. Willingness to pay for a commercial guarantee according to the survey in the 2015 Consumer Market Study on the functioning of the legal and commercial guarantees was EUR 25 for a EUR 350 washing machine (or 7% of the price), with the overall finding that there is a higher willingness among consumers to pay for a commercial guarantee for expensive products, likely due to higher potential repair costs in the event of it breaking down and being outside the legal guarantee.[93]

According to the price collection exercise in the same study, the price of the commercial guarantee was on average 21% of the product price, but with outliers to 45% of the price.[94] A small-scale price collection exercise carried out by this study (see also Annex 5) showed the ratio of the cost of the commercial guarantee to the product price oscillating between 15% and 18% of the price, with a maximum of 51% of the product price. This means that the cost of the commercial guarantee might be somewhat higher than the price consumers are willing to pay for them (pointed out above as approximately 7%).

The 2015 Consumer Market Study on the functioning of the legal and commercial guarantees market also showed that the duration of the commercial guarantees sold online were five years or less for 99% of cases,[95] which was also found as part of the present study. There were no indications of commercial guarantees going beyond the length of the legal guarantee in the UK and Ireland, thus showing that commercial guarantees are offered to consumers instead as additional 'insurance'.

Where the commercial guarantee period is an extension of the legal guarantee period, a longer *legal* guarantee period means that businesses cannot rely on the revenue of the sold *commercial* guarantee unless they revise their revenue model. This also suggests that retailers selling large and small household appliances are more concerned by the issue of extending the guarantee period than others because these products are particularly subject to wear and tear and these companies' revenue models are particularly impacted by commercial guarantees or repair services.[96]

[91] Ibidem, p.122

[92] European Commission, DG Justice and Consumers, Consumer market study on the functioning of legal and commercial guarantees for consumers in the EU (December 2015), p.112: http://ec.europa.eu/consumers/consumer_evidence/market_studies/docs/legalguaranteesfinal_report_en.pdf

[93] European Commission, DG Justice and Consumers, Consumer market study on the functioning of legal and commercial guarantees for consumers in the EU (December 2015), p.146-148: http://ec.europa.eu/consumers/consumer_evidence/market_studies/docs/legalguaranteesfinal_report_en.pdf

[94] Ibidem, p.98

[95] Ibidem, p.101.

[96] A point raised by a French business association as part of the stakeholder consultations.

Some retailers also offer their own free-of-charge commercial guarantees. If these are commonplace and generally concern an extension of the legal guarantee, then an extension of the legal guarantee to three years would plausibly not have major impact for those retailers. The impact would likely be progressively higher for every year added to the legal guarantee.

3.1.1.2 Findings from the stakeholder consultations on the impact of a uniform legal guarantee period extending beyond two years

The stakeholder consultations as part of this study highlight further arguments about the potential benefits and costs of a uniform legal guarantee period beyond two years.

Impacts on consumers

A Swedish consumer association argued that the three-year legal guarantee period that exists in Sweden benefits consumers by *increasing their possibility of redress when a product is faulty*. Another consumer representative highlighted that the reason for changing the law in Sweden in 2005 was also tied to enhancing the durability of product and that extending the length of the legal guarantee period was considered likely to lead to longer-lasting products.

In the UK, where the seller's liability is limited by the general prescription period of five years in Scotland and six years in England, Wales and Northern Ireland, this rule was considered beneficial to consumers by UK consumer representatives and government authorities, with no stakeholders suggesting negative effects for consumers.

The longer legal guarantee was seen by a government authority as boosting consumer confidence.

One UK consumer entity saw it as *particularly beneficial for consumers purchasing more expensive and durable products*.

A UK consumer representative cited the findings of research on product durability[97] conducted by the UK consumer organisation Which? to explain why the UK government opted for a longer legal guarantee period.

According to this study on small and large domestic appliances:

- Consumers expect both small and large domestic appliances to last well over two years without developing a fault or breaking down. For example, consumer testing carried out by Which? showed that consumers believe a fridge freezer should last approximately 11 years without developing a fault (averaged across all brands), a washer-dryer nine years and a freestanding cooker 12 years.
- Only a very small number of both large and small domestic appliances will develop a fault within two years of purchase. Taking an average across brands in each category, 89% of washing machines remain fault free within two years; that figure is 93% for food processors, 80% for fridge freezers and 92% for tumble dryers.
- In the following four years (i.e. up to six years after purchase), faults are considerably more likely to develop, as would be expected given that they are subject to particularly intensive use. For example, within six years of purchase, 37% of kettles will have developed a fault, 34% of fridge freezers and 34% of washer-dryers.

The above research only relates to the expected lifespan of the products researched. The survey suggests that defects could develop between two and six years after purchase, in certain high-value, high-durability items (such as many household

[97] Which? (2015) Large domestic appliance reliability survey, base size: 9,055. These data are taken from Which? proprietary data and have been collated across brands to create indicators for the average first faults per product type.

appliances) that consumers expect to last well beyond two years, but the same conclusion cannot be applied to other types of goods which are also expensive but not expected to last that long, for example, smartphones, tablets, etc.

For less expensive goods, a longer legal guarantee was seen by UK consumer representatives as providing consumers with a tool to negotiate an appropriate remedy with the seller. According to a UK government authority, the longer guarantee period is generally a way of enhancing consumer confidence. Another UK authority and consumer association also argued that a longer guarantee period has the benefit of incentivising producers to design and produce higher quality goods, discouraging the misuse of 'planned obsolescence' by some manufacturers and generates less waste and lower replacement costs for consumers and sellers. But no specific evidence was provided to back these claims.

Consumer representatives from all Member States currently with a two-year legal guarantee period agreed that a harmonised, longer legal guarantee period would positively impact consumers. This was particularly true for a potential three-year period which, according to a Hungarian consumer representative, would only slightly impact businesses (echoing the Swedish government authority above). According to the Polish government authority, the immediate benefit for consumers would be better protection. Consumer representatives across all Member States agreed, but whether the benefits would last long term is less clear.

Impacts on businesses

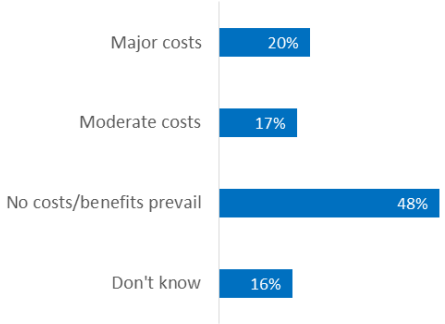
Among business stakeholders, only a Romanian business association argued in favour of a longer uniform legal guarantee period (namely three-years), stating that the market had achieved a level of maturity to make this possible, citing positive effects for consumers, producers and retailers in higher demand and sales due to increased trust and better consumer protection. .All other business associations interviewed (from Croatia, Denmark, France, Germany, Italy, Latvia, the Netherlands, Spain, Sweden) argued against an extension. The Romanian business association considered an EU-wide legal guarantee of five years too ambitious as a first step.

Business associations interviewed said that an extension of the legal guarantee period comes at the cost of increased compliance costs for businesses that ultimately are passed onto consumers in the form of higher prices.

A UK government authority considered that the longer guarantee period might have resulted in marginally higher compliance costs for businesses, considered from the perspective of a counterfactual (if the UK had had a two-year legal guarantee period). A UK government authority also stated that the increased operational costs for businesses of longer legal guarantees may be offset by increased consumer confidence and therefore, increased consumer spending.

Almost half of the retailers interviewed currently based in, or selling in, countries extending the minimum EU rules said that a longer guarantee period entails no extra compliance costs for them, or that the benefits prevail, presented in Table 8. Also, stakeholders across all categories in Member States with a legal guarantee period longer than two years could not point to the costs they incurred in extending beyond two years. This is probably explained by the fact that these longer legal guarantee periods have been in place for a long time (e.g. since 1978 in the case of Finland) so businesses have adapted their revenue models over time. Still 37% point to major or moderate costs.

Table 8. The costs of complying with a legal guarantee period longer than 2 years for all businesses in Member States with a longer legal guarantee period or selling in those countries, by share of respondents



Note: concerns Finland, Ireland, Sweden, Netherlands and the United Kingdom.

Source: Ipsos business interviews, n=107

As noted earlier, retailers from some sectors (such as household appliances) would most likely be more affected (and thus more concerned) by changes in the extension of the legal guarantee than sellers of other products.

While retailers in these countries are seemingly at a disadvantage because of higher compliance costs, those selling cross-border may have a competitive advantage when selling products in countries with a shorter legal guarantee period if they offer the same longer guarantee period as in their home Member State. A longer *uniform* legal guarantee period would mitigate that advantage, although no data is available on the current extent of such an advantage.

Arguments from businesses against a longer guarantee included that it would not work for all sectors (such as clothing) and could lead to more complaints and leave unsellable products in stock. Others said it might mean more staff to manage additional complaints and potential litigation and thus increased costs. The latter was also raised by the Dutch and Danish consumer representatives who thought that an increased duration of the legal guarantee would, lead to an increase in the number of complaints, but neither stakeholder provided an exact estimate of such an increase.

In reaction to on-going discussions and initiatives at the national level on the length of the legal guarantee period a number of French associations representing businesses[98] drafted a position paper outlining concerns over the possible introduction of a longer legal guarantee period of five or 10 years.[99]

These discussions and debates take place against the backdrop that within the framework of the Law on Energy transition in France (la loi Transition énergétique pour la croissance verte[100]) the government must report to parliament on the impacts of an extension of the legal guarantee to five and 10 years for some energy-dependant products (not specified in the draft), although no information has yet been released by the French government on the current status of this proposal. The argument behind the proposition, and raised by a French government authority, is

[98] The Fédération du Commerce et de la Distribution (FCD), Fédération des magasins de bricolage et de l'aménagement de la maison (FMB), Fédération des industries électriques, électroniques et de communication (FIEEC), Fédération des Entreprises Internationales de la Mécanique et de l'Electronique (FICIME), Syndicat de l'industrie des technologies de l'information (SFIB) and Fédération de l'e-commerce et de la vente à distance (Fevad).

[99] The position paper has not (yet) been published.

[100] Loi n° 2015-992 du 17 août 2015 relative à la transition énergétique pour la croissance verte. Full text retrievable at: https://www.legifrance.gouv.fr/affichTexte.do;jsessionid=D73696D4E714EF312D81D3A37E8B701B.tpdila16v_3?cidTexte=JORFTEXT000031044385&categorieLien=id.

that a longer legal guarantee period would benefit consumers, boost product durability and help remove from the market low-quality products that last less than the legal guarantee (and for which repair or replacement would be too expensive for retailers).

Also, in October 2016, the French association Les Amis de la Terre launched a petition to extend the legal guarantee to 10 years.[101] With more than 586 million electric and electro domestic products sold in 2011 (more than eight per person in France)[102], it proposed to extend the legal guarantee period to 10 years, alongside measures to promote repair and penalise planned obsolescence.[103]

In their above-mentioned position paper French associations representing businesses[104] argued that the possible introduction of a longer legal guarantee period of five or 10 years[105] would entail higher costs, particularly in offering repair services, which would be passed on to consumers. They also cited environmental concerns in that a longer legal guarantee of five or 10 years would encourage a culture of continual replacement, particularly for lower quality products, which would affect retailers and importers rather than manufacturers.

They further argued that if consumers are able to replace a product for up to 10 years, they will do so, leaving retailers with unusable products and little bargaining power with manufacturers to create better quality products in the first place. The paper also questioned whether consumers would actually prefer repair over replacement, with the latter ultimately causing significant environmental impact.

There is some concern within industry that a five year guarantee would be disproportionate. For example, an Italian consumer representative and a Dutch business association emphasised the possible impact on small and medium-sized enterprises (SMEs) that have a large share of the market in both countries. The Dutch authority also raised the issue of the value of the product. The authority mentioned that where products are cheaper, a longer guarantee will disproportionately burden some businesses, a sentiment echoed by a Dutch consumer representative and a Dutch business association.

Two Dutch business representatives did say, however, that this particularly impacts products with a shorter lifespan. For these, a longer legal guarantee period extending beyond two years would have a big impact on the business costs of dealing with potential cases/claims for these products.

A Spanish business association, echoing views from French businesses on the draft law in France, pointed out that a longer legal guarantee, particularly five years, would mean that certain products would already depreciate after four years and cannot be expected to last that long, at which point repair or replacement would simply be expensive, with no economic purpose but with environmental impact. A French government authority similarly argued that a very long legal guarantee period would be particularly expensive for cheaper goods.

[101] Les Amis de la Terre, « Allonger la durée de vie de nos biens : la garantie à 10 ans, maintenant ! » : http://www.amisdelaterre.org/Allonger-la-duree-de-vie-de-nos-biens-la-garantie-a-10-ans-maintenant.html

[102] ADEME, Equipements électriques et électroniques, 2012, p.8

[103] Les Amis de la Terre & cniid, « Allonger la durée de vie des biens de consommation : 3 mesures de bon sens » http://www.amisdelaterre.org/IMG/pdf/propositions_amendements_allonger_la_duree_de_vie_des_biens_2e_lecture.pdf

[104] the Fédération du Commerce et de la Distribution (FCD), Fédération des magasins de bricolage et de l'aménagement de la maison (FMB), Fédération des industries électriques, électroniques et de communication (FIEEC), Fédération des Entreprises Internationales de la Mécanique et de l'Electronique (FICIME), Syndicat de l'industrie des technologies de l'information (SFIB) and Fédération de l'e-commerce et de la vente à distance (Fevad).

[105] The position paper has not (yet) been published.

A potentially negative effect could be the reduced welfare of those consumers choosing to buy cheaper, less durable products and for those who can't afford more expensive and more durable products.

One European business association suggested that a longer legal guarantee period could lead to reduced consumer choice (and consequently reduced consumer welfare), because some consumers prefer to purchase inexpensive products that they know will wear out after two years, while others may want to pay more for durable products, although there was no evidence to support such a claim.

According to the business association, this was particularly true of products such as mobile phones where the technology evolves rapidly. Its view was that a longer guarantee period would force all products to be upgraded even though some consumers may not want to or can't pay for more durable products.

A French consumer association interviewed mentioned that, generally, an extension of the legal guarantee period would be less beneficial if the reversal of the burden of proof is not extended in line with the legal guarantee, a conviction shared by consumer representatives from Sweden and Hungary.

Several stakeholders also mentioned the need to inform consumers about their rights. The Dutch enforcement authority mentioned that an extended legal guarantee could be complex to implement and sellers may abuse the lack of knowledge among consumers, something also mentioned by a Polish consumer representative. The Consumer market study on the functioning of legal and commercial guarantees for consumers in the EU recommends that enforcement is needed to ensure that consumers are informed about their rights of both the legal and commercial guarantee period.[106]

3.1.2 Introduction of a differentiated legal guarantee period depending on product category

Currently only the Netherlands and Finland have a system whereby the legal guarantee depends is not legally established. The Finnish system has existed since 1978, whereas the Dutch system is based on the current Law dating from 2003, which does not lay down a legal guarantee length.[107]

Introducing a uniform differentiated legal guarantee period would affect all but these two Member States, or 95.6% of the EU population, equivalent to more than 3.45 million retailers, or 96.1% of retailers. It should be emphasised that a *uniform* differentiated legal guarantee period will impact retailers and consumers in the two Member States that currently incorporate such a rule.

The issue of establishing the length of the legal guarantee based on the product category came up frequently during stakeholder consultations. The arguments highlighted in section 3.1.1 on the importance of revenues of repair services and commercial guarantees for certain retailers also hold true for a differentiated legal guarantee period. Impact would depend on the exact system behind such differentiated legal guarantees, while an extension significantly beyond two years would particular impact products for which retailers currently draw revenues (such as white and brown goods).

[106] European Commission, DG Justice and Consumers, Consumer market study on the functioning of legal and

commercial guarantees for consumers in the EU (December 2015), p.223:

http://ec.europa.eu/consumers/consumer_evidence/market_studies/docs/legalguaranteesfinal_report_en.pdf

[107] Wet van 6 maart 2003 tot aanpassing van Boek 7 van het Burgerlijk Wetboek aan de richtlijn betreffende bepaalde aspecten van de verkoopvan en de garanties voor consumptiegoederen. Relevant legal text: https://www.recht.nl/doc/stb2003-110.pdf

As a general finding, the open publication consultation of the Fitness Check asked respondents whether the legal guarantee period for goods should depend on their characteristics, and opinions where divided. Consumers and consumer associations were mostly in favour, while businesses were very much split on the subject, as shown in Table 9.

Table 9. Responses to the Open Public Consultation on whether the legal guarantee period for goods should depend on their characteristics

Respondent category	Strongly agree	Tend to agree	Tend to disagree	Strongly disagree	No opinion/ don't know	Total number
Consumer associations	**53%**	37%	0%	11%	0%	19
Consumers	**59%**	11%	7%	11%	11%	27
Public authorities	12%	**36%**	24%	12%	16%	25
Businesses	**28%**	19%	6%	19%	**28%**	32
Other[108]	21%	10%	**38%**	17%	14%	29
Business associations	10%	7%	10%	32%	**42%**	72
Total %	***25%***	*16%*	*14%*	*21%*	***25%***	-
Total number	*51*	*33*	*28*	*42*	*50*	*204*

Source: European Commission public consultation for the Fitness Check of EU consumer and marketing law (2016).

Respondents who agreed with this statement were asked to indicate which goods and/or their characteristics this should apply to. One Danish consumer association suggested that the expected or advertised lifespan could be an adequate parameter for the length of guarantees— an opinion echoed by several respondents across categories and countries.[109] Cars and large household appliances such as washing machines were also suggested as relevant products where legal guarantees depend on characteristics.

Respondents from the business interviews were divided on whether a legal guarantee period linked to the normal durability of the item would impact cost, with 31% saying it would have major cost implications and 30% saying it would have no cost implications. Again, it is important to note that not all sectors would be impacted by such a system to the same extent.

More than half of respondents (59%) agreed that it would provide no benefit, with only 7% believing it would provide major benefits.

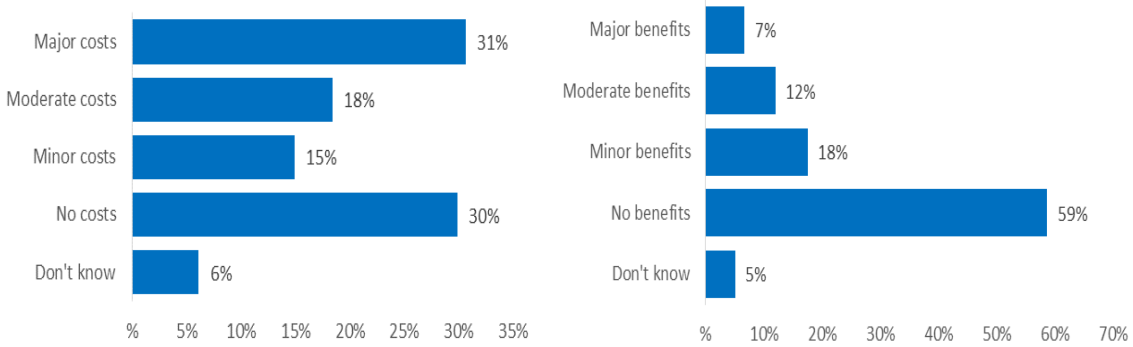
Similarly, linking the legal guarantee period to statements made by the manufacturer or seller on the durability/lifespan was judged by around half (51%) of respondents to

[108] Responses to the Open Public Consutlation from 'other respondents' include different public bodies /institutions, professional consultancies/law firms, think tank/university/research institute.

[109] Consumer market study to support the fitness check of the Consumer Law (Lot 1), European Commission, DG Justice and Consumers, forthcoming, p.161.

have cost implications, while 46% thought there would be no benefit, and 30% suggesting minor or moderate benefit. Only 7% expected having major benefits. It should be noted that the question concerned a legal guarantee period linked to their normal expected durability or lifespan and respondents did not receive additional information about how such a system would look. Inferences from these views should be made with care.

Figure 6. Overview of reported costs and benefits of longer legal guarantee period for the question: what would the impact on your business of linking the legal guarantee period to the statements made by the manufacturer or seller on the durability/lifespan of the product



Source: Business interviews. N=375

Regarding the durability of goods, retailers participating in the business interviews appeared to believe that most goods last longer than two years – the minimum legal guarantee period in the EU. This was particularly true for those selling large household appliances (89% held this opinion), furniture, furnishings and decoration (85%), electronic and digital goods (81%), small household appliances (79%), cars, motorbikes, bikes or parts (77%) and entertainment (75%). This was considered less likely in the toy sector (57%) and clothing, footwear and accessories sector (56%). A third of respondents selling beauty, health and wellness products indicated that none of those products last longer than two years, even though 39% still believed that most goods last longer than two years. Results are presented in Table 10.

Table 10. Overview of questions on whether goods are considered to last more than two years under normal use

Product category	Yes, majority of goods last more than 2 years	Yes, some goods last more than 2 years	No, none of these goods last more than 2 years	Don't know	Base
Clothing, footwear and accessories	56%	16%	21%	6%	80
Beauty, health and wellness	39%	27%	32%	2%	44
Entertainment - books, magazines, Vinyl, CDs/ DVDs (movies, music, games)	75%	7%	14%	4%	28
Sports and outdoors	69%	14%	14%	3%	29
Toys	57%	14%	24%	5%	21
Electronic/ digital goods (cameras, laptops, gaming consoles, mobile phones, tablets etc.)	81%	8%	3%	8%	36
Small household appliances (e.g. toasters, kettles, etc.)	79%	13%	4%	4%	24
Large household appliances (e.g. dish washers, washing machines, etc.)	89%	5%	0%	5%	19
Furniture, furnishings and decoration (including do-it-yourself goods and maintenance products)	85%	5%	8%	2%	60
Cars, motorbikes, bikes or parts	77%	16%	5%	2%	87
Other products	69%	15%	13%	3%	110
Weighted average	**72%**	**13%**	**11%**	**3%**	**100%**

Source: Business interviews. N=375

As part of the business interviews, respondents were asked about the availability of a statement on durability and lifespan. 75% said that said clothing, footwear and accessories do not come with such a statement, 68% of those selling entertainment products said the same, and 67% of those selling toys. The majority (58%) of those

selling household appliances thought that most products did come with such a statement. This is shown in Table 11.

Table 11. Overview of responses on whether goods come with a statement about durability/lifespan

Product category	Yes, majority of goods come with a statement	Yes, some goods come with a statement	No, none of the goods come with a statement	Don't know	Base
Clothing, footwear and accessories	8%	15%	75%	3%	80
Beauty, health and wellness	30%	23%	41%	7%	44
Entertainment - books, magazines, Vinyl, CDs/ DVDs (movies, music, games)	18%	11%	68%	4%	28
Sports and outdoors	10%	28%	59%	3%	29
Toys	10%	14%	67%	10%	21
Electronic/ digital goods (cameras, laptops, gaming consoles, mobile phones, tablets etc.)	25%	25%	39%	11%	36
Small household appliances (e.g. toasters, kettles, etc.)	29%	17%	42%	13%	24
Large household appliances (e.g. dish washers, washing machines, etc.)	58%	11%	26%	5%	19
Furniture, furnishings and decoration (including do-it-yourself goods and maintenance products)	27%	35%	35%	3%	60
Cars, motorbikes, bikes or parts	34%	14%	52%	%	87
Other products	25%	20%	49%	5%	110
Weighted average	**24%**	**20%**	**52%**	**5%**	**100%**

Source: Business interviews.

The above shows that consumers want more information about durability.

As shown in section 3.1.1.1. the parallel consumer market study (Lot 3) highlighted that providing durability information succeeds in informing consumers about the durability and reparability of products, and that consumers find this information

important. It concludes that there are positive effects of durability information on respondents' choice and willingness-to-pay for more durable. Consumers use information on durability and reparability in decision-making if available, though of these two durability information has a stronger impact on decision-making than reparability information.[110]

This shows that consumers could make different choices depending on durability information, while current information on durability varies widely according to product. This indicates that a differentiated legal guarantee period would consider the differences between these products in terms of their durability.

According to Eurobarometer 367[111], 60% of EU citizens feel informed about lifespan, while 38% of consumers do not. At the same time, 92% of citizens believe that the lifespan of products should be indicated.

- A 2016 European Parliament Study[112] highlighted the benefit of more durable products, including economic benefits of EU competitiveness in terms of trade balance, social benefits relating to people's ability to acquire skills, knowledge and employment, and environmental benefits. Based on the findings from the parallel Consumer Market Study (Lot 3)[113], some consumers would likely be willing to pay for products where durability is longer or considered better.

To further assess the impact of a uniform system of a legal guarantee period based on the product category, stakeholders across all Member States were questioned. While he experience in Finland and the Netherlands, only applies to those two countries, it does illustrate the potential impact of such a reform across the EU.

3.1.2.1 Stakeholders consulted from countries in which the legal guarantee is differentiated

In Finland, the duration of the legal guarantee is tied to the life-cycle of a product, in turn established according to the rules set out in Chapter 5, section 12 of the 1978 Consumer Protection Act.

The length of the legal guarantee period is based on the characteristics of the product. The contract between consumer and business or between two businesses may explicitly mention the length of the guarantee period while, in the absence of an explicit definition, the length of the seller's liability will be tied to the product's "typical life-cycle".

The Consumer Disputes Board (CPB) was established in 2007 and has its legal basis in the Act on the Consumer Disputes Board (8/2007) and the Decree on the Consumer Disputes Board (188/2007). The CPB is an Alternative Dispute Resolution (ADR) body and it is on the basis of its non-binding decisions that the "typical life-cycle", and thus the length of the legal guarantee, is established.

According to a Finnish business association, the most businesses respect the CPB decisions, although no data are available on compliance rates. Goods for which the CPB has established a guarantee period greater than two years include white and brown goods as well as other products. The following examples are provided by a Finnish government authority:

[110] Consumer market study to support the fitness check of the Consumer Law (Lot 3), European Commission, DG Justice and Consumers, forthcoming.

[111] Flash Eurobarometer 367, Attitudes of Europeans towards building the single market for green products, See: http://ec.europa.eu/public_opinion/flash/fl_367_en.pdf

[112] Study for the IMCO Committee, "A longer lifetime for products: benefits for consumers and companies" (2016), http://www.europarl.europa.eu/RegData/etudes/STUD/2016/579000/IPOL_STU(2016)579000_EN.pdf

[113] Consumer market study to support the fitness check of the Consumer Law (Lot 3), European Commission, DG Justice and Consumers, forthcoming.

- Refrigerators
- Freezers
- Computers
- Mattresses
- Sofas
- Automobiles
- Televisions
- Games consoles

Apart from the Netherlands (see below), there are no approximations of the length of the legal guarantee based on the durability of the product. Information about products with a legal guarantee beyond two years is therefore only an initial benchmark.

The decisions taken by the CPB are a long-established feature of the Finnish business landscape. However, there have been no studies on the impact on business in Finland.

A business association reported that the complex technical aspects of certain goods, such as cars, are not always considered and, consequently, the length of the guarantee may be unreasonably long. The same association also noted that such flexibility may benefit consumers and that it takes into consideration the technical variations of different products.

A representative of a business association in the car industry pointed out that the current system is harsh. It said that, generally, the legal guarantee period for cars is between five and eight years, even up to 10 years (while on average cars in Finland are scrapped after 20 years).

The Netherlands operates a similar system to the Finnish one described above. Business associations, Consumer representatives and government authorities interviewed all noted the difficulty for consumers to understand a system deemed complex by all these stakeholders. Reduced transparency is also said to have had a potentially negative impact on disputes, a point acknowledged by all stakeholders. They highlighted that a negative consequence for businesses is that it has led to *extended discussions related to interpretation of the durability of individual products*. The Dutch employers' organisation representing installation companies and electro-technical retailers UNETO-VNI published a guidance document for consumers (and sellers) containing reference tables for product types and expected duration of the product.[114]

This duration can then be transposed into the legal guarantee, although complaints to national bodies can generate discussion since manufacturers' lifespan indicators and, in case of dispute, expert views and technical reports are also considered. For televisions, the legal guarantee could therefore generally range from three to six years, based on products under €300 and above €1,000. For white goods, the legal guarantee can range from two to eight years, for coffee machines between two and four years, computers two or three years, digital cameras between two and four years, while phones and accessories are generally at two years.

Dutch business and consumer representatives highlighted a potential issue around the price of the product being the indicator of durability, and thus legal guarantee. If an expensive product is bought at a discount rate, there could be discrepancy over the length of the legal guarantee: is it based on the original price of the product, or the discounted price of the product?

A Dutch business representative stated that the costs resulting from a longer differentiated legal guarantee period might have led to an increase in operational costs

[114] UNETO-VNI, "Gebruiksduurverwachting": https://www.uneto-vni.nl/onze-leden/waar-staan-onze-leden-voor/gebruiksduurverwachting and relevant table: https://www.uneto-vni.nl/stream/richtlijnenafschrijvingsmethoden

of businesses (and consumer prices), but in the absence of any studies by stakeholders, this claim could not be verified.

One respondent from the Dutch business sector indicated that the Dutch system of a legal guarantee according to product type was initially considered beneficial and cheaper to all parties involved, but actually turned out to be complex to understand for businesses, cumbersome and even costly.

A Dutch business representative argued that retailers presumably need to cover the higher costs of repairs and replacements, also tied to some products having a legal guarantee of effectively 10 years or more. Another Dutch business association added that the extension of the legal guarantee has typically had a bigger impact on smaller than larger sellers, without any quantitative data to support those views.

Furthermore, a Dutch enforcement authority pointed out the issue that customers do not want to get into lengthy arguments with sellers on relatively inexpensive products, meaning that some customers lose out by not taking their complaint further. Complexity could even be said to potentially dissuade consumers from claiming their rights, particularly if they are not sure how far they extend.

A Dutch business association added that while the current differentiated system is generally difficult to understand for retailers, this has improved over the years and businesses have learned to operate the system. Consumer and government representatives agreed.

3.1.2.2 Stakeholders consulted from countries in which the legal guarantee is not differentiated

There was some disagreement among stakeholders in countries where this system does not currently exist, whether a differentiated system should be based on product *category* or on product *lifespan*. Overall, stakeholders from all categories agreed in principle that a differentiated legal guarantee would be fair for both consumers and businesses.

A Romanian consumer representative pointed out that the overarching benefit for consumers would be a longer guarantee for certain goods, with the flip-side favouring businesses required to provide a shorter guarantee for certain goods. A Bulgarian consumer association argued that a differentiated legal guarantee period could be linked to the ecological design of products, and tackle planned obsolescence.

Another consumer representative responded that the legal guarantee should match the longer lifespan of products and not 'frustrate legitimate consumer demand'.

A Romanian government authority and a Romanian consumer association both expressed their support for a differentiation based on product categories, a system that used to be in place in Romania. A Hungarian government authority also supported this measure, as did a Swedish industry representative interviewed.

A Bulgarian consumer association argued that while a three- and particularly a five-year legal guarantee period could constitute a burden for businesses, it would be in the interests of consumers and even businesses to separate between product types and only extend the legal guarantee for some products as a way to minimise the burden. A Spanish consumer association and Greek government suggested the potential of a categorisation of products on the basis of their quality.

The Greek government authority questioned whether the length of guarantee of products should *also* be categorised according to their price. This again links up to the issue of whether products sold at a discount may need to also benefit from the same legal guarantee as other products within the same category.

A German consumer association believed that a differentiated system, such as that currently operating in the Netherlands, would be preferable because it would guard against price hikes. The association was concerned that a longer uniform longer legal

guarantee period would induce sellers to raise prices. Overall, a differentiated legal guarantee is perceived as beneficial yet also seen as difficult to implement.

3.1.2.3 Practical considerations linked to the implementation of a differentiated legal guarantee

While acknowledging the potential benefits of a *category-based* differentiation, stakeholders from all groups consulted raised concerns over the practical aspects of its implementation. The practical difficulties they saw broadly concern the increased complexity of the differentiation in comparison to a uniform period for all products. This was elaborated further by five business representatives responding to the open public consultation.

The complexity mentioned is mainly relates to the establishment of the categories themselves. A Hungarian government authority identified macro areas for categorisation, such as plants, animals and foodstuffs, although most stakeholders interviewed felt that the categories would need to be much more detailed, creating complications. .

A Latvian enforcement agency and a Polish consumer representative both mentioned that the biggest challenge would be to define the suitable categorisation of the products. The Polish representative argued that consumers would ultimately greatly benefit. Constant technological innovations and the frequency with which products change would make it very difficult to establish a fixed list, according to an Italian government authority. Difficulty of measuring lifespan and implementing the system was also mentioned by two business associations responding to the open public consultation.

Consumer representatives also identified possible issues with categorisation based on the *lifespan* of products as opposed to *product category*. The Latvian consumer representative considered such a measure would require a specific assessment of the durability of goods, which would be very difficult to implement. A Danish consumer association suggested that this difficulty could be overcome by assessment studies, but also mentioned that it remains unclear whether the differentiation should be embedded in legislation or into existing guidelines.

A way to simplify product categorisation was put forward by an Italian consumer association that foresees a 'scale option' as opposed to fixed time periods. This would provide variable lengths of time rather than fixed timeframes and would allow some leeway to make up for the different value/ quality of similar products and for the existence of discounts.

Several stakeholders, including the Italian enforcement authority and a Croatian consumer association, believed that the introduction of a differentiated legal guarantee with times established according to a list of comprehensively categorised products would create confusion for consumers. This was outlined by the Italian, French and Danish government authorities that argued that this may in turn have the adverse effect of dissuading consumers from accessing their rights. Similarly, an Italian business association warned against the potential 'over-bureaucratisation' of commercial transactions that could create confusion between the parties and erode legal certainty. A Swedish government authority explained that in the past, Sweden had also considered a system with a variable legal guarantee, as in the Netherlands, but argued that it would be difficult to establish durability and lifecycles in a constantly changing market that that regulators could keep up with, and was therefore considered unreasonable for both consumers and businesses. However, no Swedish studies are available that specifically assess the merits and costs of such a system.

In the past, UK government authorities considered the possibility of introducing different legal guarantees but rejected the idea because of the disadvantages mentioned above plus a possible increase in litigation.

The possible introduction of a differentiated legal guarantee also raised issues whether such a system should be based on the product category or lifespan and whether the length should be fixed or flexible. Overall, stakeholders from all categories agreed in principle that the measure should be fair and just, but were less convinced of the ease of implementing it.

The disadvantages identified were more linked to the latter, rather than to the negative outcomes of the measure itself, although a slim majority (51%) of retailers surveyed did believe that linking the legal guarantee period to statements made by the manufacturer or seller on the durability/lifespan may have cost implications. One business association also mentioned a risk of increased legal uncertainty as the duration of the legal guarantee period progresses.

3.1.3 Granting consumers the right to freely terminate the contract if a seller fails to repair or replace a faulty good within a specific timeframe

Currently, under Article 3 (5) of Directive 1999/44/EC, the consumer may require an appropriate reduction of the price or have the contract rescinded: if the consumer is entitled to neither repair nor replacement, or if the seller has not completed the remedy within a reasonable time, or if the seller has not completed the remedy without significant inconvenience to the consumer.

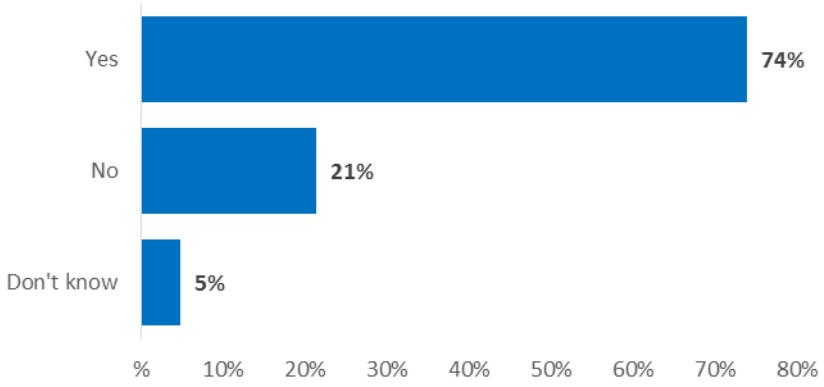
Introducing a uniform obligation to terminate the contract if a seller fails to repair or replace a faulty good within a specified time frame would affect 19 Member States, or 74% of the EU population. This is equivalent to more than 2.47 million retailers, or 69.3% of retailers.

According to the consumer survey of the 2015 Consumer market study on the functioning of legal and commercial guarantees for consumers in the EU, on average 77% of consumers agreed that it is reasonable for a seller to offer a repair or replacement but not a refund when a problem occurs for a first time.[115] But no information is available on consumer views in cases where a problem persists or the seller fails to (quickly) repair or replace a faulty good.

Most retailers interviewed believed it would be fair if consumers had the right to terminate the contract if the seller fails to repair or replace a faulty good within a specific time frame. While there are variations, ranging from 57% of respondents in Poland to 93% of respondents in Romania, most respondents across all Member States thought this a fair condition for offering a full refund. Taking into consideration sales channel, whether the retailer sells cross-border or domestically, and company size, between 69% and nearly 76% of respondents agreed with the statement. While inferences from the breakdown of data by respondent category should be cautious, overall support for the fairness of repair or replacement within a specific period is high.

[115] European Commission, DG Justice and Consumers, Consumer market study on the functioning of legal and commercial guarantees for consumers in the EU (December 2015), p.197: http://ec.europa.eu/consumers/consumer_evidence/market_studies/docs/legalguaranteesfinal_report_en.pdf

Figure 7. Fair refund: Would you consider it fair if consumers had the opportunity to ask for a full refund if the repair or replacement is not carried out within a specified period?



Source: Business interviews

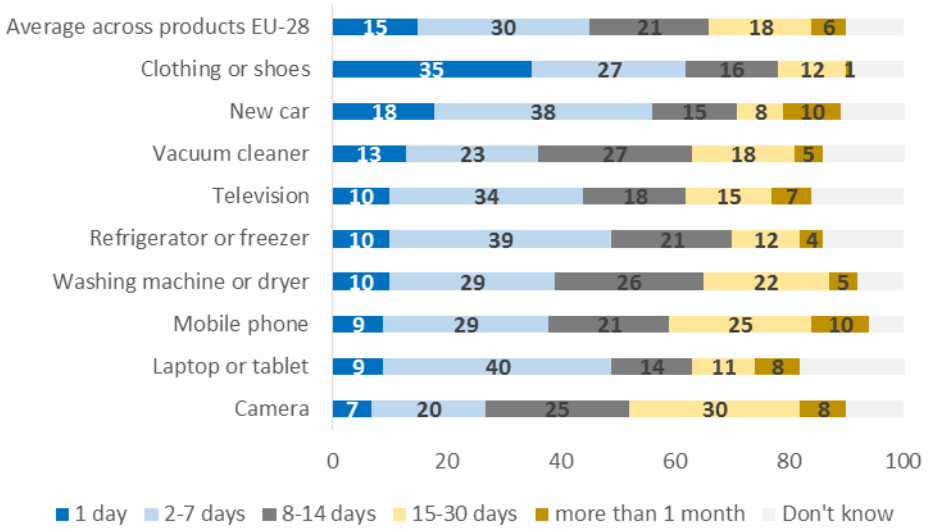
Response base: 375

An indicator to establish a reasonable time frame for repair or replacement is to consider the nine Member States that operate such a timeframe and current practices across the EU. The average time currently taken for repair or replacement is also a good predictor of potential impact on businesses complying with such a rule. If businesses manage to comply without a specific time frame, it means that – on average – they are able to comply with such time frames.

According to the survey as part of the Consumer Market Study on the functioning of the legal and commercial guarantees market[116], 15% of consumers said that replacements or repairs occurred within one day, while 30% said it took between two and seven days, 21% that it ranged from eight to 14 days, while in 18% of cases, between 15 and 30 days were needed, and for 6%, it was more than a month (10% didn't know). For certain sectors, such as clothing or shoes, it generally took much less time. It should be noted that the data do not distinguish the type of remedy (repair, replacement, refund).

[116] European Commission, DG Justice and Consumers, Consumer market study on the functioning of legal and commercial guarantees for consumers in the EU (December 2015), p.197: http://ec.europa.eu/consumers/consumer_evidence/market_studies/docs/legalguaranteesfinal_report_en.pdf

Figure 8. Answers to the question: How long did it take to solve the problem you had with {product}?

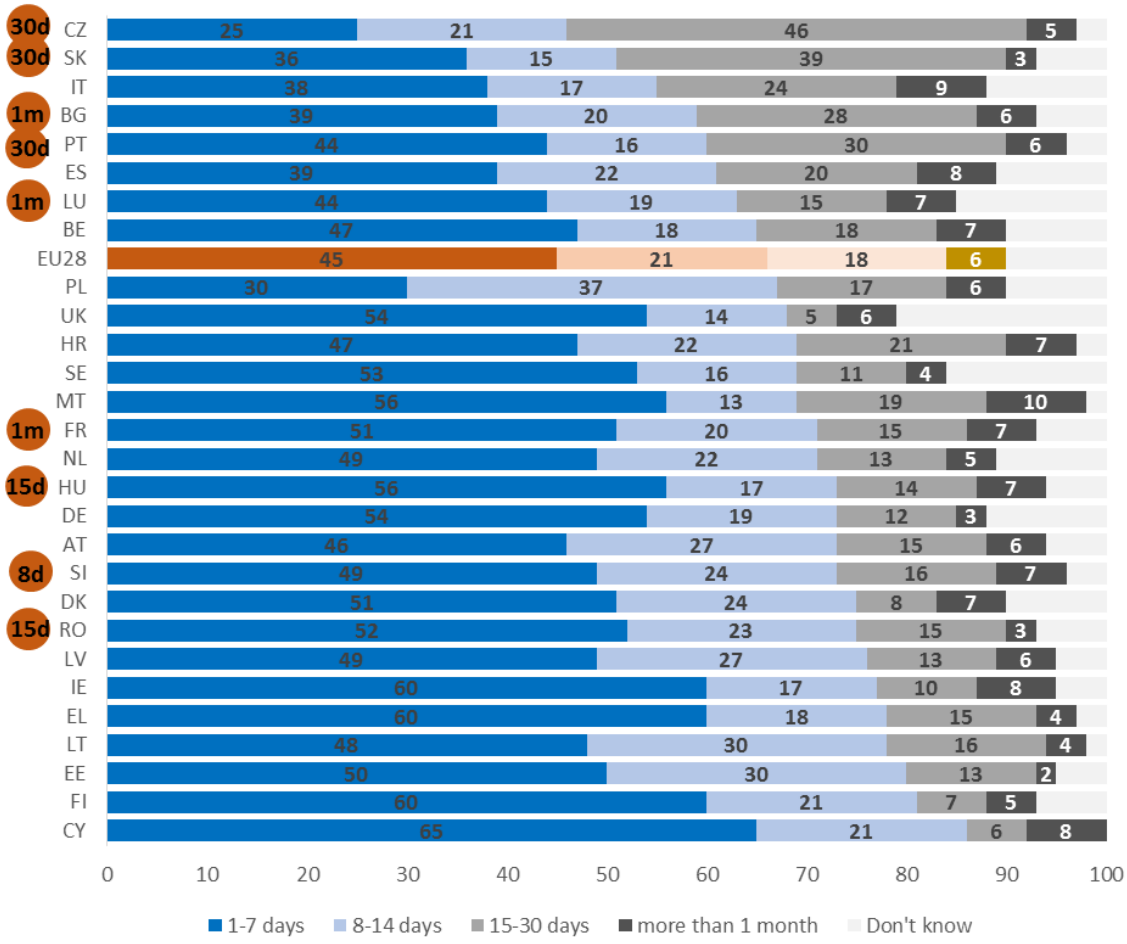


Response base: 9,059.

Findings by Member State ranged significantly. In the Czech Republic consumers say that in less than half of cases, the seller managed to address the problem in 15 days or less, while in Cyprus, this was true for 86% of surveyed consumers.

Findings are shown in Figure 9. An important finding is that the group of nine Member States stipulating a time frame do not necessarily rank better in resolving problems with a faulty product than the group of Member States without such time frame. While problem-solving in five Member States with such a time frame (CZ, SK, BG, PT, LU) is better than the EU-average, for the other four Member States (FR, HU, SI, RO) with such a time frame, the average number of days taken to solve problems is lower than the EU-average. There does not appear to be a direct relationship between the speed of remedy and the existence of an exact timeframe for providing a remedy (as opposed to stipulating a 'reasonable timeframe').

Figure 9. Answers to the question: How long did it take to solve the problem you had with {product}?



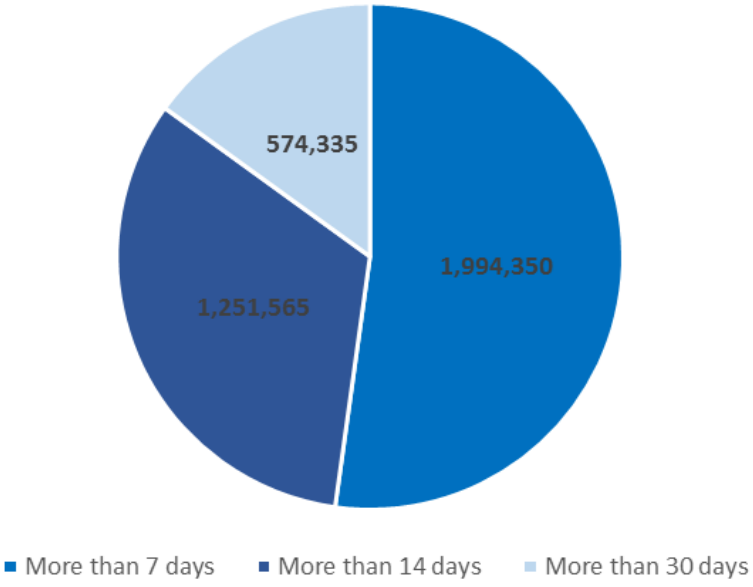
Source: Consumer survey, Consumer market study on the functioning of legal and commercial guarantees for consumers in the EU.

Response base: 9,059.

Note: 1m= 1 month, 8d= 8 days, 15d= 15 days

In view of the current situation in Member States, several scenarios could be examined, even though there are limited data available on the actual time frames needed for the repair or replacement of faulty products. It is assumed that the shares of products dealt with within the four time frames indicated in Figure 9 are an indication of the share of businesses that would be affected. On this basis a scenario of the number of businesses affected was developed. Shown in Figure 10, for a time frame of seven days (close to the timeframe in place in Slovenia) nearly 2 million out of 3.6 million retailers would be affected (55%), though this would go down to nearly 1.3 million (35%) for a system of 15 days (as is the case in Hungary and Romania) and 574 thousand retailers (16%) in the case of repair within one month (as is the case in Bulgaria, France, and Luxembourg).

Figure 10. Scenario on potential number of businesses affected on granting consumers the right to terminate if the seller fails to repair or replace the product within a certain time frame.

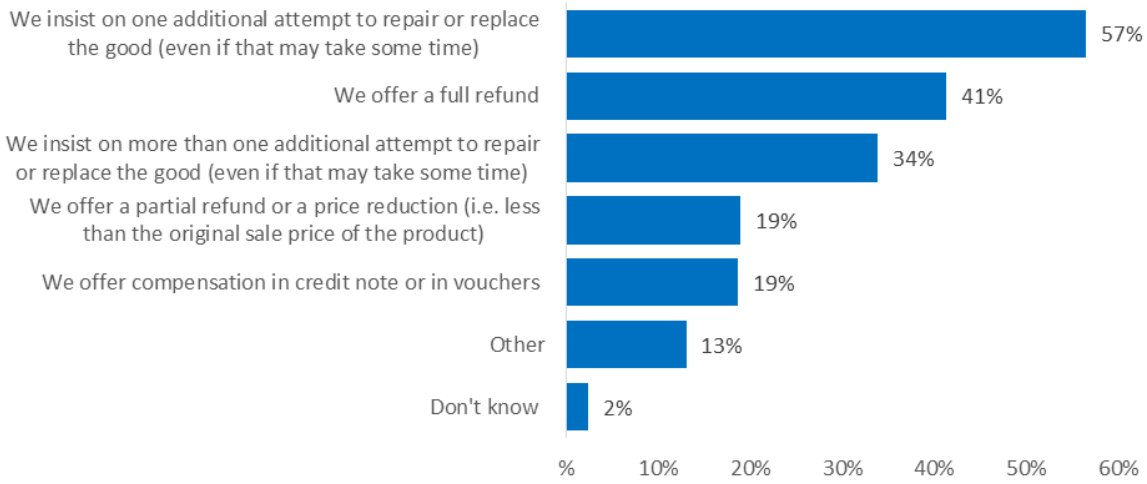


Source: ICF elaboration on the findings from the consumer survey in the Consumer market study on the functioning of legal and commercial guarantees for consumers in the EU.

Note: based on the consumer survey results presented in Figure 3.5 and the share of businesses that would be estimated to be able to repair or replace within 7 days (i.e. needing more than 7 days), within 14 days (i.e. needing more than 14 days) or within 30 days (i.e. needing more than 30 days)

It can thus be expected that a blanket time frame of eight days would have a bigger impact on businesses than a time frame of 30 days. With the data available, it is unlikely that *in general* a time frame of 30 days would have a significant impact on businesses. Nonetheless there are differences in product type, as shown in Figure 8, and it should not be forgotten that specific situations or circumstances would need to be considered. Impacts should be further nuanced by the fact that some retailers already offer commercial gestures if the repair or replacement did not resolve the problem. Figure 11 highlights that 41% of retailers in some cases uses the option of a full refund, while 19% compensation in the form of a credit note or vouchers.

Figure 11. In case a consumer is not satisfied with a repair /replacement of faulty goods during the legal guarantee period, what action does your company normally take? (multiple answers possible)



Base: 375

Source: Business interviews.

3.1.3.1 Feedback from stakeholder interviews

The stakeholder consultations carried out within this study pointed to further arguments on potential benefits and costs of such a measure.

Consumer representatives across all countries consulted argued that, in general, a rule stipulating the number of attempts at repair or replacement or a time frame would enhance consumer protection and prevent lengthy procedures for ensuring remedy. But consumer representatives did not generally comment on a time frame for providing such a remedy. A Croatian government authority suggested that the time frame should be decided on a case-by-case basis to avoid difficulties in establishing it. The option of a case-by-case approach was considered beneficial to consumers.

From the stakeholder consultations, it did not appear that a time frame, such as those in place in several Member States, would be particularly burdensome on businesses, except in cases where a time frame would bind a seller to situations outside its own control.

The business interviews also showed that a time frame in which repair or replacement would need to be carried out was not generally considered as problematic. While limited information is available on consumer and business behaviour and these caveats need to be duly considered, the analyses as part of this study do not point to significant impact on either consumers or businesses. At the same time, the lack of input on this topic – certainly vis-à-vis other elements of the consumer protection framework – also suggest that the issue is not particularly problematic.

While some responses from the open public consultations discussed the hierarchy of remedies versus free choice, none of the responses or position papers specifically touched upon time frames.

An EU umbrella business association pointed out that there are situations where a seller is unable to comply with a time frame when a product has been passed on to the service centres of manufacturers and has not yet been able to be repaired. An obligation on retailers as final sellers to provide a solution within a specified time frame regardless of the ability of manufacturers to comply (in case the product had to

be passed on for repair and for which the solution is outside the control of retailers) could be costly for the specific products involved.

It should also be pointed out that there are no data from businesses on the actual time frames in which products are repaired, nor of the average unit costs of repair within such time frames.

Business representatives from Italy, Latvia, Croatia, Germany, France, Denmark, Spain and the Netherlands highlighted the potential burden on businesses if such a rule were adopted. An Italian business association pointed out that a right to freely terminate the contract in some cases is already enshrined in the hierarchy of remedies. The association also commented that as far as repairs are concerned, sellers are ultimately tied to the time frames of the Centres for Technical Assistance and may thus be negatively impacted by late repairs by these centres. It argues that this would constitute an unfair burden on sellers, particularly when the delays are beyond the control of the sellers.

A Dutch business association also mentioned a risk of the burden falling disproportionately on businesses. This might happen where a full refund is allowed for a minor problem with an expensive product such as a car. The Danish ECC mentioned that a fixed period would be difficult to set insofar as it would not allow for taking into consideration the seasonal differences which may affect the business's capacity to repair/ replace.

Limitations of numbers of repairs as alternative to specific timeframe?

Alternative options to a 'specific time frame' were also identified by stakeholders consulted such as a UK governmental authority that mentioned **limiting the number of cases of repair to a maximum of two** to avoid the consumer being subject to long repair processes, although it did not express any views on the impact of stipulating specific time frames. The Dutch and Croatian consumer representatives raised similar points, as did a Swedish government authority. A consumer representative from Bulgaria said that in Bulgaria, the limit is set at three repairs and 30 days and works well.

3.1.4 Obligation to keep spare parts for a minimum period and/or for certain types of durable goods

A legislative obligation on sellers to keep spare parts currently exists in France, Greece, Malta, Portugal, Slovenia, Spain and Sweden, as outlined in Section 2.1.4, while in Romania manufacturers rather than retailers need to provide spare parts.

Introducing a uniform obligation to maintain spare parts for a minimum period and/or for certain types of durable goods would affect all but these seven Member States, or 71.2% of the EU population. This is equivalent to more than 1.9 million retailers, or approximately 63.4% of retailers.

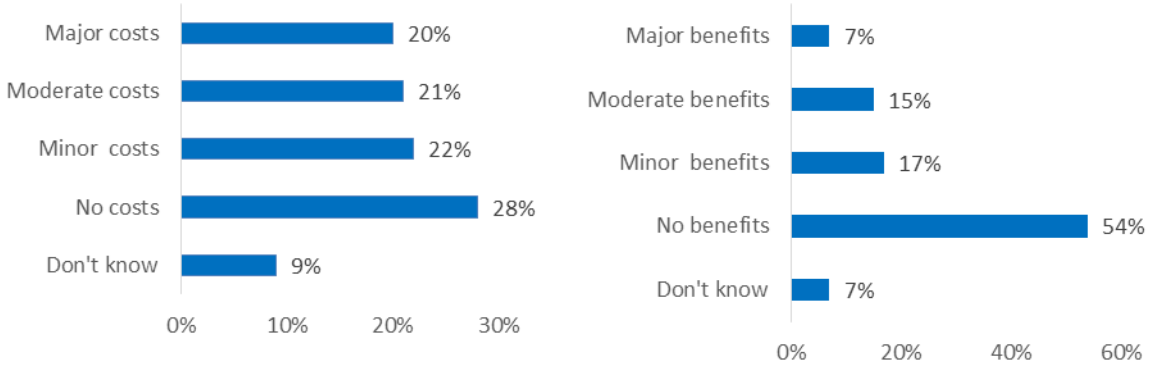
This would, in practice, mean ensuring access to spare parts that need to be replaced but were not covered by the legal guarantee (such as through normal use). A system where the obligation on sellers would extend beyond the legal guarantee period itself means that while the faulty product is no longer covered by a legal guarantee, an obligation remains to assist the consumer if they request such spare parts. But such an obligation to facilitate access to spare parts for another year after the expiry of the legal guarantee (of two years) would still have significantly lower impact and be less of a burden than an extension of the legal guarantee to three years:. This would also mean that the revenue model of retailers, as outlined above, would not be impacted because facilitating access to spare parts would still mean that the consumer would pay for the spare parts (where this is outside the legal guarantee period).

Having to address any problems with a faulty product under a legal guarantee period is more expensive than facilitating access to spare parts itself (even though spare parts are an important factor in understanding consumer redress). There is, however,

no data available to estimate the average costs for businesses of providing spare parts compared to the average costs of dealing with the variety of issues that sellers face under the legal guarantee provisions.

Evidence from the business interviews shows opinion is quite evenly divided as to whether an obligation on sellers to keep spare parts would have cost implications, with a majority believing that they would incur major, moderate or minor costs (20%, 21%, 22% respectively) and 28% believing they would incur no costs. The majority of respondents (54%) thought the obligation would incur no benefits.

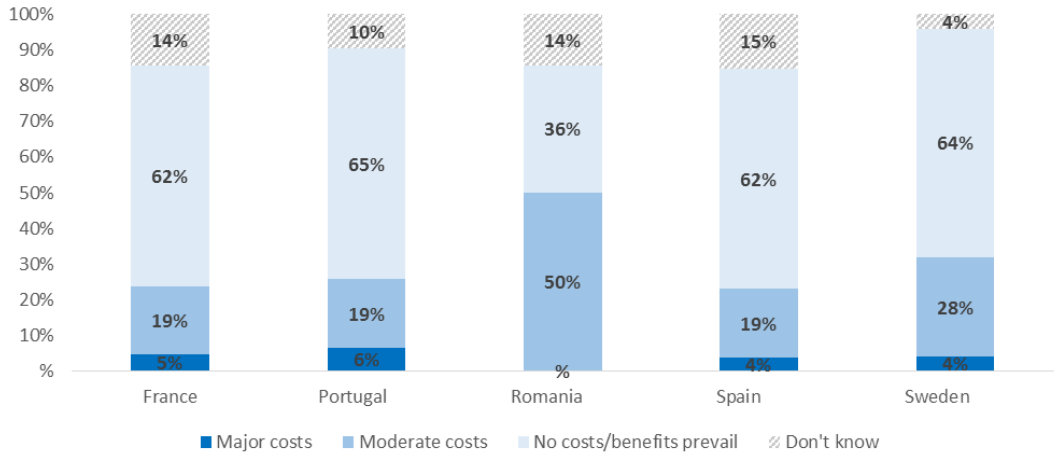
Figure 12. Overview of reported costs and benefits on an obligation on sellers to keep spare parts requested by the consumer under the legal guarantee within a specified time period.



Source: Business interviews

In Member States where there is a requirement to keep spare parts, retailers in the business interviews reported no costs or prevailing benefits. Respondents in France, Spain and Portugal report prevailing benefits. Respondents in Romania are split on the issue, even though the spare parts requirements there concerns manufacturers rather than retailers. Sweden does not have a specific legal requirement to keep spare parts but rather a legal duty to facilitate spare parts in specific cases, i.e. where the lack of spare parts hinders the use of the good. Most respondents do not consider this as predominantly costly.

Figure 13. Current costs reported by businesses as reply to the question: "Do the following rules on consumer remedies for faulty products result in additional costs for your company or do the benefits prevail? A requirement on manufactures/importers to keep essential spare parts available for sellers during a certain time period?"



Source: Business interviews

Note: Response base for Member States currently having such an obligation and part of the survey: France (21), Portugal (31), Romania (28), Spain (26), Sweden (25).

3.1.4.1 Feedback from stakeholder interviews

Overall, many stakeholders consulted through individual interviews did not have strong opinions on this option. Views were expressed from both stakeholders in Member States that currently have legislation around keeping spare parts, and those that do not.

An Italian consumer association mentioned possible wider benefits to society, such as combating parallel markets for spare parts. According to this association, these markets produce sub-standard goods that endanger public safety.

A Bulgarian consumer association added that providing spare parts for five years would be sufficient or, alternatively, as long as the item is still in production, and highlighted the potentially positive effect on better quality products and a way to tackle planned obsolescence. It also pointed out that responsibility should lie with manufacturers to avoid a problem for SMEs and costs being passed on to consumers via higher prices.

A Hungarian government authority considered a three-year period to provide spare parts for all goods to be satisfactory, while the Croatian consumer representative believes it would be more effective to distinguish between short life-cycle goods (three years) and electronic goods (five years), a point also raised by a Polish consumer representative. A Romanian consumer representative suggested alternatively that the duration be established according to the average life cycle of the given good, a position echoed by the Romanian government authority and the Greek government authority.

A Maltese government authority pointed out that the obligation to keep spare parts in Malta makes reference to 'a reasonable timeframe'. While this does not make it very clear to the consumer what rights it has vis-à-vis the seller, it still provides protection to the consumer in the cases so far brought forward.

The position paper of French business association argues that the sale of spare parts is also an essential part of the revenue model of many retailers and that an extension to

five or ten years of the obligation to keep spare parts would have economic impacts. This is also outlined above in section 3.1.1 on the introduction of a uniform legal guarantee.

A Romanian business association argued that an obligation to keep spare parts, so long as not too long (three years from the start of the purchase), would not be an undue burden on businesses, and claimed that the market is mature enough to deal with such an obligation. It did argue, however, that liability should be with manufacturers rather than `retailers. A Spanish business association also highlighted that it makes a big difference depending on whether the law would lay down that the requirement to keep spare parts would be responsibility of the seller rather than the manufacturer, while a Spanish government authority also held that manufacturers should be responsible for this obligation.

When prompted, all but one business association interviewed argued that manufacturers rather than sellers should bear any costs stemming from his requirement. This possibility was also put forward by a Dutch consumer representative and the Croatian government authority, however the Dutch business association pointed out that with increasingly complex product lines it may prove difficult to do so.

Spanish business association argued that the current requirement to provide spare parts is not particularly expensive at the moment, mainly because it is in line with the legal guarantee period, something that would be different if it were longer than the legal guarantee period, in which case it argued that costs would outweigh benefits. A French government authority argued that as a minimum, consumers should be properly informed and that a requirement to keep spare parts should be equal in length to the legal guarantee period, a point also raised by a Croatian government authority.

While there are no indications of actual costs that have been incurred due to the existence of such an obligation, the German government authority has identified practical issues with its implementation. These issues seem to be primarily connected to deciding the available remedy and to the rapidly changing nature of modern products which would mean that spare parts are not always available or can no longer be supplied. A post-contractual (secondary) duty arises from the principle of good faith, which requires spare parts to be available for a certain period of time. The nature and scope of this duty depend on the circumstances of the individual case and especially the sold good (durable and expensive products). For cars, it is considered that on average it should be around 10 years. .

A French government authority argued that despite the system in which manufacturers and importers can agree to keep spare parts being voluntary, it is reasonably embedded in sectors such as the automobile sector. It argued that this system also ultimately aims to improve reparability of products and boost product durability. The measure was seen as "*a way to incentivise the reparation of goods rather than immediate replacement, with direct environmental benefits*". This was echoed by a consumer association that cited environmental sustainability as a deciding factor among consumers, suggesting that the availability of spare parts may have a positive impact on sales.

A French business association highlighted the absence of any major disadvantages to the current system in France, mainly because there is no liability for businesses, since the system is voluntary for importers and manufacturers. This latter point was echoed by a French government authority.

An alternative to a blanket obligation to keep spare parts for all products would be to limit the obligation to certain more durable goods, such as white and grey goods. This possibility was put to those consulted but was also frequently suggested by the consultees themselves even before the question was asked. It is generally perceived as less of a burden than a blanket obligation for all products, as suggested by a

Croatian government authority that supported the idea and suggested that the time frame should not exceed the duration of the legal guarantee. The impact of limiting the obligation to restrict spare parts to certain types of goods could slightly reduce the benefit to consumers compared to an overall obligation to keep spare parts for all products, but might also reduce the burden on businesses.

Other stakeholders interviewed differed, believing that introducing an obligation on sellers to keep spare parts for some or all the products they sell could create practical, economic and environmental issues. One such issue was the possibility of an excessive burden being placed on the seller. This is also true of the obligation to keep spare parts for a certain amount of time and has been mentioned predominantly by national business associations but also by a Dutch consumer representative.

Latvian and Swedish government authorities agreed with the interpretation that the measure may generate an excessive burden on businesses, but only in relation to SMEs. This burden would mainly stem from having to purchase and find additional storage space for the additional spare parts. This would be particularly problematic for online sellers that do not usually have any storage space, but could also impact actual shops, as mentioned by German and Italian business associations.

A German business association considered that an explicit legal requirement would be very expensive for the seller in the case of relatively cheap products, and potentially detrimental to the environment if the spare parts go unused. These issues may ultimately lead to an increase in the price of consumer goods.

A Dutch business association suggested that spare parts be ordered when needed rather than kept on site in advance. The general view was that businesses would still need enough time to acquire the necessary parts from the manufacturer and should not be punished for any associated problems beyond their control.

Uncertainty exists as to how such an obligation could be regulated. The Hungarian government authority would include it in the Directive, but French business associations considered that too rigid and argued that defining spare parts is difficult and would need to be approached carefully.

A Spanish business association said that while the current system of having to facilitate access to spare parts for the duration of the legal guarantee works wells, there could be problems if the obligation were (much) longer than the legal guarantee.

A German consumer association expressed doubts about the workability of the obligation to keep spare parts, particularly if consumers would have to pay the difference between an old and new product where spare parts were no longer available.

A French stakeholder from a consumer associations raised the point that such an obligation could be used as a competitive advantage vis-à-vis other businesses. They mentioned that sellers sometimes extend the period they keep or facilitate access to spare parts beyond the minimum legal requirement to increase their competitive margin. Here the rule may be interpreted as a tool for sellers which may also ultimately prove beneficial to consumers. This could still be the case, even in the event of a uniform obligation on retailers to keep spare parts if the seller opts to provide the spare parts for an even longer period as a commercial gesture.

According to a consumer representative, sellers also comply with this rule as a marketing opportunity by disseminating information about the available spare parts and the length of their availability to publicise their products.

Obligation on sellers to inform consumers about the availability of spare parts

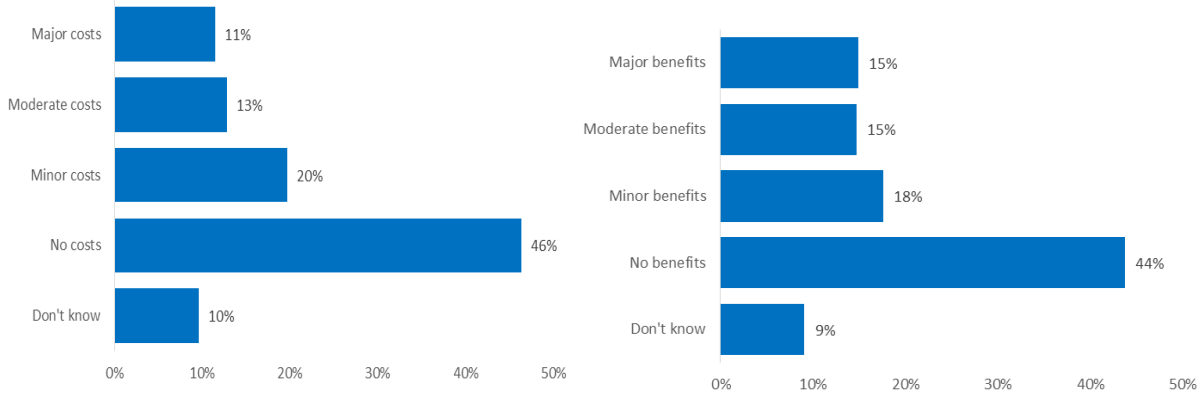
An obligation on sellers to inform consumers about the availability of spare parts currently exists in France and Slovenia, and an obligation leading to similar results also exists in Italy, as outlined in Section 2.1.3.

Introducing a uniform obligation to inform consumers about spare parts would affect all but these three Member States, or 74.6% of the EU population, equivalent to more than 2.1 million retailers, or approximately 59.8% of retailers.

Interviewees were asked whether they expected there to be costs and/or benefits involved if retailers were obliged (as final sellers) to inform consumers about the availability of spare parts.

As illustrated in Figure 14, opinion is fairly evenly divided as to the impact of an obligation on retailers to inform consumers about period in which essential spare parts are available. 44% believe there would be costs involved while 46% are convinced that they would incur no costs. Because of the sample size of the survey, the use of disaggregated findings for interpreting views across categories should be made cautiously. Medium-size retailers consulted, however, were more likely to view such an obligation as expensive as those representing micro and small retailers.

Figure 14. Overview of reported costs and benefits of an obligation on sellers to inform consumers about the time period in which essential spare parts will be available



Source: Business interviews. Response base = 375

The parallel Consumer Market Study (lot 3) undertook research on the effects of reparability information on consumer behaviour suggests that enhanced transparency about a product's lifetime may help sway consumers towards more durable products.[117] The experiment finds that offering information on the durability of products influences consumer choice – resulting in consumers purchasing more durable products". It highlights that reparability information is relevant to consumer decisions. In fact, Information on the availability of spare parts was found to be more effective in directing consumers towards products that are better reparable than information about the average cost of spare parts itself (even though information about reparability is less important in decision-making than information about durability).

3.1.4.2 Feedback from stakeholder interviews

Several stakeholders interviewed commented on the impact of an obligation to inform consumers about the availability of spare parts.

In some cases, such a rule would only benefit the consumer. . Institutional stakeholders mentioned that the measure allows for greater transparency with regards to the terms and conditions of a given product which, in turn, allows for greater

[117] Consumer market study to support the fitness check of the Consumer Law (Lot 3), European Commission, DG Justice and Consumers, forthcoming.

awareness during purchase. A consumer association interviewed also mentioned that greater information overall guarantees more informed purchasing.

In the countries having such a rule, consumer associations and most government authorities agreed that the obligation to inform about the availability of spare parts is advantageous for consumers and constitutes a relatively low burden for businesses.

A French government authority mentioned that the provision provides transparency for consumers and as such "*meets the environmental concerns of consumers who do not want to buy only disposables*." A French consumer association mentioned that the lack of an obligation on sellers to actively inform also when spare parts *are not* available means that consumers still lack fundamental information about goods and the availability of spare parts. They argued that when consumers have all the necessary information, they might chose a different product if spare parts are more likely to be available for a certain period. It's worth noting that in France, more than 60% of the 21 French respondents considered there to be no costs or prevailing benefits connected to this requirement.

Among Member States where this rule does not currently exist, the specific benefits identified by stakeholders include greater trust in consumer products, mentioned by the Croatian government authority, and more sustainable purchasing, a possible outcome mentioned by a consumer association.

A Spanish consumer association argued that by providing the relevant information, consumer could be given a clear choice between similar products but with differences in the availability of spare parts. Consumer would in that case be more likely to choose the one with longer availability. It argued that this would benefit product durability, and potentially encourage manufacturers to ensure longer availability of spare parts and boost sales.

On the flip side, a UK consumer representative, a UK government authority and business associations from most Member States covered in the study raised numerous objections to the potential burden on businesses of such a rule. A Danish business representative suggested that the obligation might lead to an increase in costs for businesses and an added administrative burden. The latter was also mentioned by an Italian government authority which also identified an issue over the monitoring of the obligation.

The authority explained that the obligation to inform would be have to be fulfilled upon conclusion of the contract, i.e. when the sale is made, which makes it difficult to prove. One way would be to require the seller to provide additional documentation establishing that the obligation was fulfilled, but this could prove onerous. A practical issue was also raised by the Dutch business representative, who believed it would be difficult to establish the length of the validity of the information itself.

While this study does not assess what the obligation to inform would look like, several relevant points were raised by stakeholders. These are particularly relevant because the stakeholders mentioned below commented on how such a system would be more effective, and thus benefit the consumer.

A Romanian consumer representative mentioned that the information would need to include indications as to where the spare parts can be purchased. A Greek government authority added that the information provided should include the price of spare parts compared to the price of the product purchased.

3.2 Summary and conclusion

The five policy proposals discussed in this section have all generated debate in Member States where such measures or elements of such measures currently exist. Several other studies and surveys shed further light on the potential impact of each proposal.

Introduction of a uniform legal guarantee period of three or five years

A longer guarantee period would result in higher levels of consumer protection, with a five- year period providing more consumer protection than a three-year period. Environmental benefits highlighted by some consumer representatives include a possible reduction in waste and the potential to address planned obsolescence. But businesses and some national authorities pointed to potential higher costs for businesses and more disputes with consumers. They also highlighted a burden on retailers in unusable low-quality goods for which repair is no longer possible, which retailers were obliged to take back, often considered beyond the control of retailers (and rather a concern for manufacturers).

The Consumer Market Study to support the Fitness Check of Consumer Law going on in parallel (Lot 3) also shows that in 96% of recent problems with defective goods the consumers discovered the defect during the first 2 years from purchase.

A Eurobarometer survey[118] indicates that 66% of European consumers said that they would be willing to pay more for a product if the guarantee period was extended to five years.

According to analysis of available data, the total value of net financial detriment resulting from defects discovered after two years of purchase is estimated to be in the range of 7-10% of the net financial detriment resulting from all purchases involving defective products, with the other 90-93 % net financial detriment stemming from defects discovered within two years of purchase

Business interviews (Table 6) suggest that an extension of the legal period to 3 or to 5 years is seen by 22 % and 37 % of respondents respectively to result in major costs, while 28 % and 36 % of respondents respectively expect no cost of such a measure. This is an average across all sorts of products that may vary from one product category to another.

Aside from a possible negative impact on prices, stakeholders suggested that some consumers might be faced with less choice, thus negatively impacting their welfare. The market of low-quality goods remains important for consumers unable or unwilling to pay for more expensive, higher-quality goods.

An extension of the legal guarantee period may affect certain retailers, in particular retailers of white and brown goods whose revenue models are particularly impacted by paid repair services after the expiry of the legal guarantee or the sale of paid commercial guarantees. About 4% of products are estimated to be repaired between two and five years after sale, A longer legal guarantee might thus affect companies' margins and companies whose revenue models particularly includes paid repair services would need to make up for this elsewhere.

Introduction of a differentiated legal guarantee period depending on product category

A uniform differentiated legal guarantee period would affect more than 95% of EU businesses and consumers having to adapt to such a system, in all countries except Finland and the Netherlands. The arguments raised on lost revenues for paid after sales services and paid commercial guarantee in a system with a longer uniform legal guarantee are equally valid for a system of differentiated legal guarantee periods. Impact would depend on the exact system behind such differentiated legal guarantees.

A system that takes into account differentiated legal guarantees based on product types currently exists in the Netherlands and Finland. In the Netherlands, the system

[118] Flash Eurobarometer 367. Attitudes of Europeans towards building the single market for green products: http://ec.europa.eu/public_opinion/flash/fl_367_en.pdf

is considered opaque, complex and a burden in terms of complaints and remedies. In Finland, the views appear to be somewhat less negative, because the system has been in place since 1978 and all parties involved appear to be used to it, and the essential ADR mechanism, although certain businesses consider the system a burden and in some cases find the differentiated length of the legal guarantee unreasonably long.

According to the business interview, 31 % of businesses expected major costs of such a system, whereas 30 % expected no costs. On the benefits side, 59 % of businesses saw no benefit from such a system.

While stakeholders in other Member States pointed to advantages or benefits in ensuring a more 'fair' legal guarantee for higher quality products, there is limited evidence to suggest that a system could be devised that addresses the alleged complexity and manages to keep up with continual changes and development of products, while establishing clear criteria. The ever-growing number of different brands, particularly specific models of very similar products, requires separate instructions and information about durability that would need to feed continuously into a framework of legal guarantee tied to lifespan. A volatile and continuously changing market would likely create a major challenge for legislators and enforcement bodies to keep up.

Granting consumers the right to terminate the contract if a seller fails to repair or replace a product within a certain timeframe

A right granted to consumers to terminate a contract if a seller fails to repair or replace a product within a certain time frame affects roughly two-thirds of retailers and three-quarters of the EU population, since nine Member States currently operate such a time frame, in some form or other. If the obligation were to qualify this obligation with a number of attempts (i.e. failing once) this would affect all Member State because it would even tighten the law in the nine Member States with a specific time frame, and where the number of attempts is not stipulated.

Consumer associations generally favoured the approach of specifying a time frame as a way of protecting consumers against delays in remedies.

Based on a consumer survey as part of the 2015 Consumer market study on the functioning of legal and commercial guarantees for consumers in the EU on current time frames in which repairs are carried out, it is estimated that approximately 16% of retailers are affected by a time frame of 30 days, as opposed to 55% for a time frame of repair or replacement within seven days, and 35% within 15 days. This means that if consumers had the right to terminate the contract when the time frame is not respected, this could be a challenge for certain retailers, and some products.

An obligation on retailers to offer a solution within a specified time frame regardless of the ability of manufacturers to comply (when a product needs to be sent on to a manufacturer's technical department), particularly if it is beyond the reach of retailers, would have a negative impact on them. Nonetheless, the issue was not considered to be particularly controversial by retailers if the onus of responsibility lies with manufacturers.

Obligation on sellers to keep spare parts for a minimum period or for certain types of products

An obligation on sellers to keep spare parts would affect around half of retailers and consumers in the EU. The impact of this type of obligation depends on the specific obligations laid down.

Advantages mentioned for consumers would be greater trust in products and the environmental benefits of combatting various forms of planned obsolescence. Indirectly, it could also be argued that a provision on spare parts could boost consumer confidence as the consumer might be more willing to buy products for which spare parts are available.

Some business associations opposed such an obligation, although impact would likely vary widely depending on the specific type of obligation. A system in which the retailer is required to facilitate access to spare parts throughout a period of time that is equal to the legal guarantee would have a more limited impact

An obligation to keep spare parts in stock was not fully discussed because all stakeholders held, when prompted, that it would not be possible for retailers (particularly SMEs or online retailers) to physically keep spare parts. Business associations consulted all argued that such a burden should fall on manufacturers rather than the retailers themselves and that any obligation should not put retailers in difficulty when spare parts are no longer available and beyond the control of retailers.

Obligation on sellers to inform consumers about the availability of spare parts

An obligation to inform consumers about the availability of spare parts would affect 60% of retailers and benefit around 85% of additional consumers.

An obligation is considered by consumer representatives to enhance transparency, enhance trust in products for consumers and thus help the consumer make a more informed purchasing decision. Indirectly, arguably it could boost consumer confidence because the consumer might be more willing to buy products for which spare parts are available.

The experiment carried out as part of the parallel Consumer Market Study[119] showed that the provision of information about the durability of products influences consumer decisions, and it follows that having access to information about the availability of spare parts enhances transparency.

According to the findings of the business interviews, opinion is evenly divided since 44% expect there to be costs involved, while 46% are convinced that they would incur no costs.

[119] Consumer market study to support the fitness check of the Consumer Law (Lot 3), European Commission, DG Justice and Consumers, forthcoming.

Annexes

Annex 1 Further data on the legal framework in Member States and case law findings

As part of the legal assessment for this study, some aspects on the availability of the spare parts; the relationship between the action for the legal guarantee and that of hidden defects; and the direct liability of the manufacturer for repair or replacement are described below.

The examined case-law, administrative guidelines and dispute resolution decisions are posterior to the EC consumer law compendium, and this section seeks to take into consideration more recent judicial developments.[120.] They include cases which clarified the application of the Directive, or which are important precedents at national level. Several of these issues are presented here, rather in Section 2, because while not all being directly covered within the study itself (in terms of assessment of options), these issues relate to the wider discussion on the impacts of such options.

A.1.1 Hidden defects

The majority of the examined Member States provides remedies for hidden defects, which are defects that could not be detected at the time of the conclusion of the contract but that do not result from the use of the good. However, in four of the examined Member States (Belgium, France, Luxembourg and Spain) the definition of lack of conformity as introduced by the Directive has created some interpretative difficulties concerning the relationship with the pre-existent action for hidden defects. In Belgium and France the courts have intervened often in order to clarify the differences between the action for the legal guarantee and that one for the hidden defects.

According to the explanatory notes of the French *Cour de Cassation* on the *garantie légale de conformité/ garantie des vices cachés*,[121] an action based on the legal guarantee can also complain against a hidden defect. However, in various cases, the *Cour de Cassation*, following the approach of the lower courts, requalified an action for lack of conformity under the Consumer Code into an action for hidden defects under the Civil Code, for the reason that when the goods are unfit for the purposes they are destined, the guarantee for hidden defects is the only available[122]. In this case, the time limit is two years from the discovery of the defect (and not from the delivery) but the buyer does not enjoy the reverse burden of proof provided by the Directive.

The same approach has been followed by the Belgian *Cour de Cassation*, which has clarified that, as a general rule, the lack of conformity sanctions the difference between the promised good and the delivered good, while the hidden defect is a defect which renders the good unfit for purpose[123]. The difference has an impact on the remedies: in case of a hidden defect, the seller must return the paid price without reduction while under the lack of conformity the reimbursement may be partial and the seller is allowed to apply a rate to take into consideration the use of the product by the consumer[124].

[120] EC Consumer Law Compendium - Comparative Analysis - Edited by Prof. Dr. Hans Schulte-Nölke in co-operation with Dr. Christian Twigg-Flesner and Dr. Martin Ebers February 2008.

[121] See Cour de Cassation, Chapitre 2. Les délais de prescription : la sanction de la négligence à faire valoir: https://www.courdecassation.fr/publications_26/rapport_annuel_36/rapport_2014_7040/livre_3_etude_temps_7047/emprise_droit_7193/fonction_extinctive_7196/delais_prescription_31946.html

[122] **C**ass, 1er Civ, 2 octobre 2013, 12-23846

[123] 1re Civ., 5 mai 1993, pourvoi no 90-18.331, Bull. 1993, I, no 158, see commentary D. Chauchis *La protection de l'acquéreur d'un bien dans le droit interne de la vente,* Bulletin d'information de la Cour de Cassation, 1 novembre 2010, p.14

[124] 1re Civ., 21 mars 2006, pourvoi no 03-16.075, Bull. 2006, I, no 171 ; 1re Civ., 21 mars 2006, pourvoi no 03-16.307, Bull. 2006, I, no 172, et 1re Civ., 21 mars 2006, pourvoi no 03-16.407, Bull. no 173.

A.1.2 Rights against the producer in case of faulty goods

In some countries, producers are directly responsible for the repair or replacement in case of faulty goods. This raises the question of the relationship with the right of redress of the seller. While the legal guarantee concerns the relation between the seller and the buyer, in certain Member States also the producer/manufacturer may be directly asked directly to provide repair or reimbursement in case of faulty goods.[125]

A direct claim of the buyer against the producer/manufacturer of the faulty good exists in Belgium, France and Luxembourg the in the form of a "*jumping recourse*", that is to say the right of the final buyer to claim from previous link in the contractual chain (starting from the manufacturer and ending with the consumer buying the good) is based on the right of recourse of another person. The buyer is said to have the right to a jumping recourse in the sense that he can enforce the final seller right of redress.

In Belgium, through *kwalitatieve rechten or droits qualitatifs*, since 1980[126] the case law has allowed the buyer to act against any previous link in the distribution chain, and as a consequence the consumer is able to act not only against the dealer, but also against the wholesaler. All professional members of the contractual chain, therefore, are liable to the purchaser, although the seller effectively summoned to court has the right to be compensated from the part of the chain whose actions have caused the defects occurred.

The Supreme Court has clarified that in the context of an action on the grounds of non-conformity of a good, any seller may be called to offer a complete guarantee to the consumer (and thus the exoneration or limitation clauses contained in contracts between the seller and the producer or wholeseller further up the contractual chain cannot be opposed to the consumer).[127].

Moreover, the sellers and importers can be sentenced *in solidum* for the reimbursement of part of the price of a good in a joint action brought by the consumer under the legal guarantee and the direct action for hidden defects.

In France, the *action directe* under Article 1615 of the Civil Code for producer liability was understood as applicable also to the lack of conformity[128]. However, a recent judgement the Montpellier Court of Appeal has reiterated the jurisprudence interpretation that the action under the legal guarantee of conformity (Article L 217-4) may only be directed against the seller of the goods. In the examined case, the action was directed against the importer but the court considered that the importer was not liable for the goods' non-conformity and the seller was the one bound to deliver goods in compliance with the contract[129].

In Luxembourg, the courts have recognized the direct action for lack of conformity for many years. The action is based on the transfer of the action for lack of conformity/defects from the initial buyer to the final purchaser through a chain of sale which is known as the "*théorie de l'accessoire*", where the right of action of the initial buyer is considered an accessory of the sold goods.[130]

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[125] It should be noted that none of the provisions referred to are based on Council Directive 85/374/EEC.

[126] Supreme Court, 5 December 1980, Arr. Cass 1980-1981, 382, Pas 1981, I, 398.

[127] Supreme Court, 15 December 2006, R.W, 2008-2009.

[128] A Cour de Cassation decision in 1986 (Assemblée plénière, 7 February 1986, n. 84-15189) extended the lack of conformity to include the hidden defects. This implied that the direct action for hidden defects was possible against the producer. A decision of the Cour de Cassation in 1963 considered that the direct action for hdden defects was possbile but with two limitations: the importer had to return only the price obtained by the sale and it was possible to oppose all the contractual actions against the previous link of the chain. Following the Cour de Cassation decisions which considered the lack of conformity a contractual action separated by the hidden defects [Dalloz 1993, Atias], the approach changed.

[129] Cour d'appel de Montpellier, 1e ch. civ., 3 septembre 2015, n. 13/05385:

[130] M. Ebers, A. Janssen, O. Meyer European Perspectives on Producers' Liability: Direct Producers' Liability for Non-Conformity and the Seller Right of Redress, European law publishers, 2009, p.14.

In other countries, several subjects of the contractual chain can be held responsible for faulty goods.

In Portugal, Article 6 of the Decree Law 67/2003 provides for the direct claim against the producer, including the importer. If the seller is sued for lack of conformity and for not providing a remedy, the seller has a right to ask for the producer, or its local representative (or importer), to be joined in the proceedings. As clarified by the courts, the importer is considered as the producer on the basis of the chain of responsibility. *"It was intended with this legislation, which transposed the European directive to protect the buyer/consumer from the irresponsibility that a chain of intermediaries can generate or from the difficulty of being able to hold responsible the producer of the good"*[131]. Moreover, according to the recent case-law, the direct action against the producer may only cover the repair or substitution of the goods, thus excluding any other remedies the consumer would have against the seller (such as price reduction or reimbursement).[132]

In Finland, Chapter 5, Section 31 of the Finnish Consumer Protection Act includes the liability of defects of the previous level of the supply chain (manufacturer, importer). According to the provision the buyer shall have the right to direct his/her claims based on a defect in the goods also at a business who at an earlier level of the supply chain has supplied the goods for resale. However, according to the Supreme Court, in order to be able to claim the lack of conformity against the previous seller/producer, it is necessary that a contractual chain exists between the seller and the previous level of the supply chain in a way that responsibility for the lack of conformity is allocated through the chain[133].

In Sweden, Article 46 of Consumers Sales Act gives the consumer a direct claim against the producer or an upstream business, only if the seller is insolvent, has ceased to operate or cannot be located. In Finland and Sweden, the notice must be given within a reasonable time after the non-conformity was detected. However, in Sweden, the notice must be given to the final seller within three years after the buyer has received the goods, otherwise the buyer has forfeited his rights[134].

In Spain**,** the Article 124 of the Royal Legislative Decree 1/2007 has consolidated the direct claim creating two different actions: under Article 124(1) the consumer is given a subsidiary action [against the producer if it proves impossible or an excessive burden to act directly against the seller, while the Article 124(2) gives a direct, non-subsidiary liability when the lack of conformity affects the origin, the identity or the suitability of the good.[135] Outside from the direct and subsidiary action, when a professional has been convicted in favour of the consumer for lack of conformity, he must act against the other professional in the chain within one year. This includes not only the action of the seller against the produced, but also of the producer (or other agent) against the seller when it was recognized responsible for non-conformity.

A.1.3 Right of redress within the meaning of Article 4 of the CSGD

Article 4 CSG also provides for the right of redress of the seller against the producer/intermediary for the costs incurred by the seller for the lack of conformity. Below, we report some peculiarities detected in certain Member States on the application

[131] Supreme Court, 17.12.2014: http://www.dgsi.pt/jstj.nsf/954f0ce6ad9dd8b980256b5f003fa814/dbeec6d9115342ac80257db100634154?OpenDocument&Highlight=0,consumidor

[132] Decision by the Tribunal da Relação de Coimbra (second degree judiciary) nr. 1684/08.7TBCBR.C1, of 01.03.2016,

[133] Supreme Court, S 2007/513, 15.12.2009. In the examined judgment, the action for lack of responsibility was rejected because it was not possible to prove the contractual relationship between the producer and the intermediary, thus the action was considered admissible on the basis of tort law.

[134] ADR: ARN 2007-8356, A consumer has the right to make a claim towards an earlier party in the chain of the responsibility if the seller closes its business. In this case, the buyer of a defect car was found in the right to cancel the purchase and get refund from the general agent, as the seller had closed its business.

[135] N. Alvarez Lata, F. Peña Lopez, J.M. Busto Lago, *Reclamaciones de Consumo*, Aranzadi, 2010, p. 419-420.

of the right of redress, in particular the timeframe for submitting an action against the previous link of the chain.

In Belgium**,** when the seller launches an action against the producer/intermediary, he must do so within a short time. The timeline to assess the "short time" starts when the purchaser files an action against the seller.[136] With respect to its duration, the courts decide on a case by case basis what a "short time frame" is, taking into account a series of circumstances such as the nature of the good and its defects, its use and the parties' actions.[137] For example, a delay of two years from the moment the defect is discovered exceeds the definition of short time under Article 1648 of the Civil Code,[138] and only serious negotiations (but not a mere notification of defect) stop the clock.[139] Normally, according to the jurisprudence, the short time frame is rarely longer than one year.[140]

In Portugal, if the direct claim was against the final seller, the recourse must be brought within two months starting from the conviction, in favour of the consumer, of the final seller, and provided that, on the one hand, a period of five years has not passed from the sale's conclusion yet, and, on the other, the lack of conformity is not found just after the delivery of the goods to the retailer (in this case, the previous link in the chain of contracts cannot be held responsible for). According to the Portuguese Supreme Court the lack of redress of the seller against the previous party of the chain of responsibility is without prejudice to the action of the buyer against the seller for lack of conformity of a good and the relevant final seller shall be liable towards the consumer regardless of the right of redress against the previous seller.[141]

In Germany, after the consumer has claimed to the seller, the seller in turn has the possibility to claim from the supplier responsible for the lack of conformity (§478 BGB). This rule cannot be derogated from by an agreement made before the defect was notified to the supplier to the disadvantage of the seller, if the obligee with the right of recourse is not given another form of compensation of equal value (§ 478 (IV) BGB).

In Austria, the courts have clarified that the final seller can assign the previous seller to repair the good directly for the consumer/recipient. In this way the final seller enforces his remedies and at the same time he provides remedy himself.[142]

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[136] Supreme Court, 27 May 2011, Pas. 2011, liv.5, p.1498, Pas.2010, lib.6-8, p.2097; Supreme Court, 20 April 2012, J.L.M.B., 2014, p. 152. - ces dernieres parties ont conclu « au moyen d'un appel incident (implicite ou non) à l'irrecevabilite des demandes en garantie formulees par V. en raison soit de l'expiration du bref delai de l'article 1648 du Code civil, soit de la prescription en vertu de l'article 12, S: 2, de la loi du 25 fevrier 1991 relative à la responsabilite du fait des produits defectueux » ;

[137] See Supreme Court 11 October 1979, pas. 1980, I, p. 200. For example, the time to inspect the good is taken into account in the appreciation of the judge. See, for example, Cass., 29 January 1987, Arr. Cass., 1986-1987, p. 693; Cass., 23 March 1984, Arr. Cass., 1984, p. 969. See also Bruxelles, 30 March 2010, Res. Jur. Imm., 2011, p. 181; Anvers, 18 December 2008, Limb. Rechtsl., 2009, p. 173; Mons, 15 June 2009, J.T., 2010, p. 161; Bruxelles, 2 October 2008, R.G.D.C., 2011, p. 30.

[138] Court of Appeal of Liège, 10 October 2013, 2012/RG/1243.

[139] Id. The Supreme Court has clarified that this delay is not a term of limitation: see Supreme Court, 29 Novembre 2013, rôle n° C.12.0443.F/3.

[140] These time frames have not been considered short enough and were thus held to be excessive: Mons, 15 June 2009, R.G.D.C., 2011, p. 311 (15 months after the discovery of the defect); Anvers, 18 December 2008,

Limb. Rechtsl., 2009, p. 173 (14 months after the discovery); Bruxelles, 5 octobre 2005, J.T., 2006, p. 414 (3 years after the discovery),

Anvers, 5 December 1996, A.J.T., 1997-1998, p. 78 (15 months after the discovery). These time frames have been considered short enough Liège, 27 January 2011, J.L.M.B., 2011, p. 960 (3 months after the discovery of the defect); Bruxelles, 30 mars 2010, Res. Jur. Imm., 2011, p. 181 (5 months after receiving the expertise report). B. Kohl, F.Onclin, « L'exigence du « bref délai » dans l'action en garantie contre les vices cachés » : https://orbi.ulg.ac.be/bitstream/2268/156548/1/Kohl-Onclin.JT(2013).pdf

141 Case 10514/11.1T2SNT.L1.S1, 17 December 2014, Supreme Court of Justice.

[142] Reischauer, Zak 2012, 107:

Annex 2 Analysis of consumer detriment

Consumer detriment or harm arises when market outcomes fall short of their potential, resulting in welfare losses (financial, health, etc.) for consumers. A 2007 study on consumer detriment[143], widely recognised as an important contribution to the development of the concept of consumer detriment, establishes two distinct forms of consumer detriment:

- Personal detriment: negative outcomes for individual consumers, relative to reasonable expectations;
- Structural detriment: the loss of consumer welfare (measured by consumer surplus) due to market failure or regulatory failure.

A key difference between structural and personal consumer detriment is that while the former affects an individual in a specific transaction, the latter arises from a structural problem that affects an entire market or sector. Personal detriment occurs *ex-post*, after the purchase or the transaction, but may originate in pre-contractual marketing practices that make the consumers experience negative outcomes. Assessing personal detriment (arising from unsuitable purchases, consumer error and ill-informed choices) is particularly useful when evidence is needed on how structural detriment may change and where it is difficult to quantify structural detriment itself, since recent attempts at measuring structural detriment encountered serious difficulties in defining an appropriate benchmark.

Within the scope of personal consumer detriment, the distinction can be made between financial and non-financial detriment. Each of these concepts is explained below.

A.2.1 Financial detriment

Financial detriment can be defined as the monetary costs and losses incurred by the consumer as a result of a problem relating to a good or service that fell short of what one might reasonably have expected at the time of purchase or use. When measuring consumer detriment, we distinguish between two concepts: gross and net financial detriment.

Gross financial detriment or *pre-redress financial detriment* covers all financial losses suffered by consumers as a direct result of the problem(s) experienced. These include:

- Cost of the original product;
- Costs associated with the reduced functioning of the goods concerned as a result of the problem;
- Costs associated with any action(s) taken by the consumer to sort out the problem such as:
  - Costs of repairing or resolving the problem at consumers' own expense, e.g. cost of repairs;
  - Costs of buying a replacement/substitute product or alternative service at own expense;
  - Cost of any telephone calls, postage or stationery incurred by the consumer to seek redress for the unusable or non-delivered content;
  - Travel costs;
  - Legal costs;
  - Costs of getting any other type of expert advice or assistance;
  - Cost of any inconvenience such as lost earnings by consumer not being able to work while taking time out to resolve the problem;

[143] Europe Economics (2007), "An analysis of the issue of consumer detriment and the most appropriate methodologies to estimate it".

- Costs of any knock-on /consequential damages e.g. damage to the consumer's clothes or property from a faulty washing machine.

Net financial detriment or *post-redress financial detriment* represents gross (pre-redress) detriment adjusted for any redress/ compensation received by consumers in the form of:

- Replacement;
- Substitute- an alternative product or service;
- A full refund;
- A partial refund;
- Monetary compensation;
- Compensation in the form of a credit note or in vouchers.

The post-redress stage, thus, takes account of all actions taken by the trader to solve the problem (i.e. repairs, replacement goods or monetary redress provided by the trader to the consumer).

A.2.2 Non-financial detriment

Non-financial detriment refers to the "negative non-financial impacts which consumers may experience including loss of time and psychological detriment"[144].

Time loss refers to the total amount of time a consumer has spent either as a direct result of a problem or from trying to sort a problem out.

Psychological detriment arising from problems can relate to different emotions, such as feelings of anger, frustration, stress or disappointment. Non-financial detriment can also consist in adverse effects on health and other factors.

A.2.3 Analysis of consumer detriment

This study utilises microdata from the ongoing Consumer Market Study to support the Fitness Check of Consumer Law (lot 3)[145] to analyse consumer detriment resulting from purchases of faulty or defective goods.

While this study is an important source of evidence for the analysis/calculation of consumer detriment, it is important to highlight the inherent limitations of a survey-based approach to measuring consumer detriment, most notably:

- A survey can only measure detriment that is known to and recalled by the respondent:
- It does not capture detriment that has yet to come to light (or may never come to light) to the respondent (for example, any detriment from unauthorised use of personal data by a provider of digital content, which may only become evident to the consumer at a much later stage). As such, a survey-based approach measures revealed or stated detriment but it does not measure unrevealed detriment.
- The survey used in the study ongoing Consumer Market Study to support the Fitness Check of Consumer Law (lot 3) is based entirely upon respondent recall of particular problems during the last 12 months, the costs associated with these problems, remedies received and the number of hours spent attempting to deal with the problem(s).
- A survey relies on respondent's perceptions and views – just because a consumer reports a problem with the quality of the product, does not necessarily mean that the product was defective.

[144] Ibidem.

[145] Consumer market study to support the fitness check of the Consumer Law, European Commission, DG Justice and Consumers, forthcoming.

A.2.4 Analysis of consumer detriment using microdata from the Consumer Market Study (Lot 3)

The bivariate regression was carried out in STATA. As such these calculations were automated; not manual. The statistical formula is as follows: $Y_i = \beta_0 + \beta_1 X_{1i} + \beta_2 X_{2i} + \ldots + \beta_k X_{k\,i} + \varepsilon_i$.

- Y is the explained / dependent variable.
- $X_1, X_2, \ldots, X_k$ are explanatory / independent variables that help explain any change in the explained variable, Y.
- $\beta_0, \beta_1, \beta_2, \ldots, \beta_k$ are constants describing the functional relationship in the population.
- The value β_0 is, in mathematical terms, the intercept. In the equation above, it gives the value of Y when $X_1, X_2, \ldots, X_k = 0$.
- The values $\beta_1, \beta_2, \ldots, \beta_k$ identify the change along the Y scale expected for every unit changed in fixed values of $X_1, X_2, \ldots, X_k$
- ε represents an error component. It relates to the portion of the dependent variable, Y, that cannot be accounted for or explained by the independent variables $X_1, X_2, \ldots, X_k$.
- i is used to denote each individual Member State.

The table below shows how the various indicators of consumer detriment were calculated using the microdata from the Consumer Market Study to Support the Fitness Check of Consumer Law (Lot 3)[146].

Table A.1. Overview of calculations for the microdata, by indicator of consumer detriment and survey question

Indicators of consumer detriment	Survey Questions
Incidence of problem relating to defective goods	Q14 Over the past 12 months, how often have you experienced problem(s) with defective goods? – those selecting "Very often" and "often".
Share of relevant respondents receiving redress	Q25 What was the eventual outcome of this problem? – those selecting the following options: • 4 (You received a refund / compensation for the product) • 5 (The product was replaced) • 6 (The product was repaired free of charge) or • 7 (The product was repaired at a discounted rate)
Net financial detriment = Gross financial detriment *less* the monetary value of any remedies received	Gross consumer detriment = Q21c + (Q25c * Q25d) Monetary value of any remedies received = Q25 option 5 X Value (Q21c) + Q25 option 6 X Value (Q21c) + Q25 option 7 X Value (Q21c) + Q25b Lower and upper bounds were calculated (i.e lower bound assuming a range 1-5 =1; and upper bound assuming 1-

[146] Ibidem.

Indicators of consumer detriment	Survey Questions
	5=5). Q21c Considering the most recent problem that you experienced with a product that turned out to be defective, what was the approximate value of this product? Q25b Which one of the following best reflects the refund / compensation that you received? multiple choice question, values ranging from *Less than 5 euros* to *500 euros or more*[147], including options to select "don't know" or "The value is not yet confirmed/known" Q25c What did you do? 1. You had the product repaired at your own expense 2. You bought a new product to replace the defective one 3. You did nothing Q25d What was the cost incurred in doing this? multiple choice question, values ranging from *Less than 5 euros* to *500 euros or more*, including options to select "don't know" or "The value is not yet confirmed/known".
The amount of time and money spent by consumers as a consequence of the problem relating to defective goods *NB: due to limited responses and overlap with responses to Q25c (options 1 and 2), the answers to this question were not taken into account in the calculation of gross financial detriment; instead the responses were separately analysed.*	Q28 Thinking about your most recent problem, could you please estimate the amount of money and time you spent due to this problem on the following things? (a) Administrative follow-up (e.g. cost of phone calls to the trader, postage, etc.) . (b) Legal follow-up (e.g. cost of legal advice, or any other expert advice, etc.). (c) Product follow-up (e.g. cost of resolving the problem through repair or replacement at own cost).
Age of defect	Q17: You said that in the past 12 months you experienced a problem with at least one defective good. Considering your most recent experience of this problem, how long was it after the purchase that the good turned out to be defective? 1. Less

[147] On the basis of the assumption that 500+ = 500 for both lower and upper bounds.

Indicators of consumer detriment	Survey Questions
	than 1 month; 2. Between 1-6 months; 3. Between 6 months and 1 year; 4. Between 1 year and 2 years; 5. Between 2 years and 3 years; 5. Between 3 and 5 years; 6. More than 5 years

The aggregate survey results for EU-28[148] are presented in the table below.

Table A.2. Measurement of consumer detriment using microdata from the Consumer Market Study

Indicator	Parameter	Range	Estimated values
Q14 % of respondents experiencing problems - defective goods	*Rarely to Very often*		59%
Q14 % of respondents experiencing problems - defective goods	*Very often, Often*		10%
Q21a % of respondents where most recent problem related to defective good (in the past 12 months)			31%
Average Gross Detriment per Consumer (EUR)		*Lower bound*	115
		Upper bound	187
% consumers receiving redress - where most recent problem is defects (Q25, selecting option 4 -7)			76%
Average Cost per Consumer (EUR) (Q25c)		*Lower bound*	118
		Upper bound	205
% consumers receiving no refund- where most recent problem is defects (Q25, selecting option 8)			5%
Average Net Detriment per Consumer (EUR) (Gross detriment - Refund)		*Lower bound*	34
		Upper bound	53
Average Gross Detriment per Consumer (EUR)	*a. Defects discovered less than 2 years*	*Lower bound*	113
		Upper bound	185
	b. Defects discovered between 2 and 3 years	*Lower bound*	200
		Upper bound	307
	c. Defects discovered between 2 and 3 years	*Lower bound*	104
		Upper bound	181
	d. Defects discovered more than 5 years	*Lower bound*	101
		Upper bound	173

Indicator	Parameter	Range	Estimated values

[148] The consumer detriment analysis at Member State level did not yield sufficiently robust results due to limited sample sizes.

Indicator	Parameter	Range	Estimated values
Average Net Detriment per Consumer (EUR) (Gross detriment - Refund)	*a. Defects discovered less than 2 years*	*Lower bound*	32
		Upper bound	51
	b. Defects discovered between 2 and 3 years	*Lower bound*	109
		Upper bound	170
	c. Defects discovered between 2 and 3 years	*Lower bound*	40
		Upper bound	56
	d. Defects discovered more than 5 years	*Lower bound*	64
		Upper bound	109
% consumers that experienced a problem with at least one defective good in the last 12 months did so more than 2 years after the purchase (Q17)	*a. Defects discovered less than 2 years*		56.8%
	b. Defects discovered between 2 and 3 years		1.3%
	c. Defects discovered between 2 and 3 years		0.5%
	d. Defects discovered more than 5 years		0.7%

The main results are presented in the table overleaf.

The survey results were then extrapolated to estimate consumer detriment at EU 28 level. The results of this exercise are presented below.

Table A.3. Consumer detriment resulting from defects during different time periods

Indicator	Bound	Time period for discovery of defect*				
		Defects discovered less than 2 years of purchase	Defects discovered between 2 and 3 years of purchase	Defects discovered between 3 and 5 years of purchase	Defects discovered more than 5 years of purchase	Average across all time periods
Average gross detriment per consumer (EUR)**	*Lower bound*	113	200	104	101	115
	Upper bound	185	307	181	173	187
Average Net Detriment per Consumer (EUR)**	*Lower bound*	32	109	40	64	34
	Upper bound	52	170	56	109	53

% consumers who experienced a problem with at least one defective good in the last 12 months did so within indicated timespan		56.8%	1.3%	0.5%	0.7%	59%
EU population aged 18-94 (millions)[149]		412				
Gross consumer detriment EUR million	*Lower bound*	26,462	1,072	214	291	28,087
	Upper bound	43,323	1,645	373	499	45,672
Net consumer detriment EUR million	*Lower bound*	7,494	584	82	185	8,304
	Upper bound	12,177	911	115	315	12,945

*ICF analysis of data from the Consumer market study to support the fitness check of the Consumer Law (Lot 3), European Commission, DG Justice and Consumers (forthcoming) **Based on detriment associated with most recent reported problem only*

This analysis could not be conducted at Member State level due to the small number of responses: less than 10 responses per Member States where defect has been discovered after 2 years of purchase.

[149] From Eurostat (2016), *Population on 1 January by age and sex [demo_pjan]*, extracted on 10 October 2016.

A.2.5 Results of bivariate regression analysis

Figure A.1. *Relationship between legal guarantee period and consumer detriment indicators*:

```
. regress defectoften guarantee if channel=="FtF"

      Source |       SS           df       MS      Number of obs   =     3,697
-------------+----------------------------------   F(1, 3695)      =     37.01
       Model |  5.07714057         1  5.07714057   Prob > F        =    0.0000
    Residual |  506.949367     3,695  .137198746   R-squared       =    0.0099
-------------+----------------------------------   Adj R-squared   =    0.0096
       Total |  512.026508     3,696  .138535311   Root MSE        =     .3704

------------------------------------------------------------------------------
 defectoften |      Coef.   Std. Err.      t    P>|t|     [95% Conf. Interval]
-------------+----------------------------------------------------------------
   guarantee |  -.1005727   .0165328    -6.08   0.000    -.132987   -.0681585
       _cons |   .1823757   .0066548    27.41   0.000    .1693283    .1954231
------------------------------------------------------------------------------

.
. regress redress guarantee if channel=="FtF"

      Source |       SS           df       MS      Number of obs   =     3,697
-------------+----------------------------------   F(1, 3695)      =      5.80
       Model |  1.19574843         1  1.19574843   Prob > F        =    0.0161
    Residual |  762.055536     3,695  .206239658   R-squared       =    0.0016
-------------+----------------------------------   Adj R-squared   =    0.0013
       Total |  763.251285     3,696  .206507382   Root MSE        =    .45414

------------------------------------------------------------------------------
     redress |      Coef.   Std. Err.      t    P>|t|     [95% Conf. Interval]
-------------+----------------------------------------------------------------
   guarantee |   .0488079   .0202701     2.41   0.016    .0090662    .0885497
       _cons |   .7007747   .0081592    85.89   0.000    .6847778    .7167716
------------------------------------------------------------------------------

.
. regress NETdetrimentUPPER guarantee if channel=="FtF"

      Source |       SS           df       MS      Number of obs   =     3,622
-------------+----------------------------------   F(1, 3620)      =      0.23
       Model |  6571.13622         1  6571.13622   Prob > F        =    0.6336
    Residual |   104686416     3,620  28918.8995   R-squared       =    0.0001
-------------+----------------------------------   Adj R-squared   =   -0.0002
       Total |   104692987     3,621  28912.7278   Root MSE        =    170.06

------------------------------------------------------------------------------
NETdetri~PER |      Coef.   Std. Err.      t    P>|t|     [95% Conf. Interval]
-------------+----------------------------------------------------------------
   guarantee |    -3.66011   7.678295    -0.48   0.634    -18.71432     11.3941
       _cons |    66.09088   3.085805    21.42   0.000     60.04079    72.14097
------------------------------------------------------------------------------

.
. regress costUPPER guarantee if channel=="FtF"

      Source |       SS           df       MS      Number of obs   =     3,697
-------------+----------------------------------   F(1, 3695)      =      0.31
       Model |  889.179514         1  889.179514   Prob > F        =    0.5773
    Residual |    10575898     3,695  2862.21867   R-squared       =    0.0001
-------------+----------------------------------   Adj R-squared   =   -0.0002
       Total |  10576787.2     3,696  2861.68484   Root MSE        =      53.5

------------------------------------------------------------------------------
   costUPPER |      Coef.   Std. Err.      t    P>|t|     [95% Conf. Interval]
-------------+----------------------------------------------------------------
   guarantee |   1.330961   2.387932     0.56   0.577    -3.350834    6.012756
       _cons |   6.769206   .9611932     7.04   0.000     4.884685    8.653727
------------------------------------------------------------------------------

.
. regress hTOTALCost guarantee if channel=="FtF"

      Source |       SS           df       MS      Number of obs   =     2,734
-------------+----------------------------------   F(1, 2732)      =      9.28
       Model |  21120.5448         1  21120.5448   Prob > F        =    0.0023
    Residual |  6219911.78     2,732  2276.68806   R-squared       =    0.0034
-------------+----------------------------------   Adj R-squared   =    0.0030
       Total |  6241032.32     2,733  2283.58299   Root MSE        =    47.715

------------------------------------------------------------------------------
  hTOTALCost |      Coef.   Std. Err.      t    P>|t|     [95% Conf. Interval]
-------------+----------------------------------------------------------------
   guarantee |  -7.769125    2.55077    -3.05   0.002    -12.77076   -2.767492
       _cons |   12.26184   .9901948    12.38   0.000     10.32024    14.20345
------------------------------------------------------------------------------

.
. regress euroTOTALCost guarantee if channel=="FtF"

      Source |       SS           df       MS      Number of obs   =     1,987
-------------+----------------------------------   F(1, 1985)      =      0.01
       Model |  8511.06055         1  8511.06055   Prob > F        =    0.9027
    Residual |  1.1304e+09     1,985  569451.324   R-squared       =    0.0000
-------------+----------------------------------   Adj R-squared   =   -0.0005
       Total |  1.1304e+09     1,986  569168.876   Root MSE        =    754.62

------------------------------------------------------------------------------
euroTOTALC~t |      Coef.   Std. Err.      t    P>|t|     [95% Conf. Interval]
-------------+----------------------------------------------------------------
   guarantee |   5.957235   48.72829     0.12   0.903    -89.60674    101.5212
       _cons |   82.45937   18.25931     4.52   0.000     46.64994    118.2688
------------------------------------------------------------------------------
```

Annex 3 Analysis business interviews

The Annex represents the findings of the analysis of the interviews of 375 micro, small and medium-sized retailers in the 15 selected Member States. The results are presented by question, examining where relevant and possible its results both by Member State and by response demographics (whether or not the retailer sells-cross border, size, and retail channel).

A full overview of responses in tabular format for the various questions is provided in Annex 6.

A.3.1 Approach for recruiting businesses

The approach to the selection of retailers consisted of identifying companies active in the retail trade and e-commerce and trading both domestically and cross-border. In targeting sample leads, the study looked at sourcing these from one of a number of widely defined sources, mostly on a country-by-country basis. The sample of micro, small and medium-sized enterprises was ordered from Dun and Bradstreet. For each country, a random sample of enterprises was selected from the total number of enterprises in the database that reported activities in the relevant SIC codes. Enterprises in the Dun and Bradstreet databases are categorised according to their business activity, following the standard industrial classification (SIC) of economic activities.

Beyond the size of the company, the most important criterion used to select the sample were the types of goods the companies are selling. In line with categories used elsewhere, these sectors are:

- Clothing, footwear and accessories
- Beauty, health and wellness
- Entertainment - books, magazines, Vinyl, CDs/ DVDs (movies, music, games)
- Sports and outdoors
- Toys
- Electronic/ digital goods (cameras, laptops, gaming consoles, mobile phones, tablets etc.)
- Small household appliances (e.g. toasters, kettles, etc.)
- Large household appliances (e.g. dish washers, washing machines, etc.)
- Furniture, furnishings and decoration (including do-it-yourself goods and maintenance products)
- Cars, motorbikes, bikes or parts
- Other products, please specify:_____

Companies were pre-recruited by telephone before taking part in the interviews. Pre-recruitment provided for better control over the sample (to help ensure a good distribution by various retailer profiles) and provided a better response rate[150] and lower refusal rate[151]. The questionnaire was translated into the relevant languages of the 15 Member States selected. The interviews were carried out June and July 2016.

In terms of quality control, measures applied are highlighted in Table A.4.

[150] The response rate varied between 4% and 20% (depending in country), as is common with business interviews.

[151] Refusal rates varied between 17% and 55%, as is common with business interviews.

Table A.4. Control measures applied

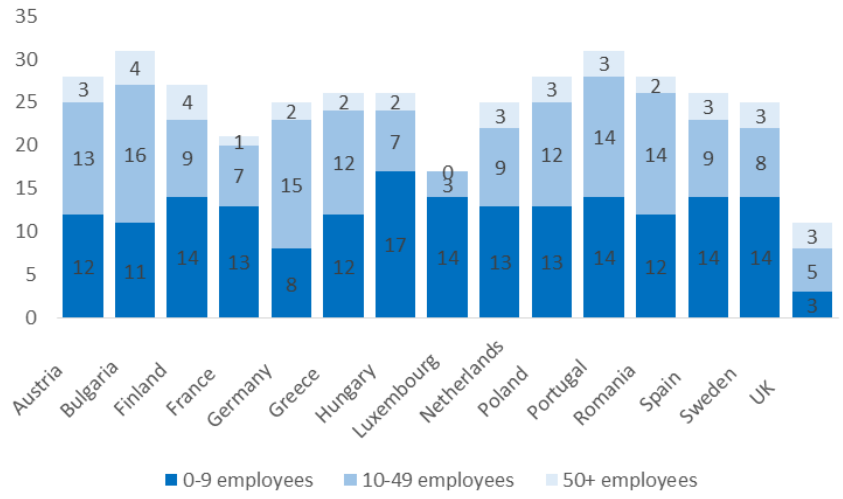
Step	Control measure
International CATI centre (located in the Netherlands)	• ESOMAR member • Considerable experience of large-scale telephone (CATI) surveys across Europe • Considerable experience of business surveys • Capacity to deliver large-scale telephone surveys (CATI infrastructure and number of interviewers) • Established working relationship with Ipsos
Fieldforce	• Use of experienced telephone interviewers only • Interviews conducted by native speakers • Thorough briefing of interviewers in addition to detailed interviewer instructions
Sampling	• Clear definition of the target audience for the purpose of screening • Effective screening to identify the most appropriate respondent • Close monitoring of quotas to ensure sample composition
Questionnaires	• Rigorous translation process to national languages • Provision of a glossary of technical terminologies/descriptions
Data collection	• Control of fieldwork progress (e.g. timing, structure of sample, response rate) • Briefing of project coordinator, interviewers and translation staff • Close supervision of interviewers by an experienced project coordinator • Interviewers' activities monitored during the data collection process through listen-ins
Data-processing	• CATI script through Dimensions for all countries • Logic/routing checks incorporated into the CATI scripts • Standard code-book for data processing • Strict rules for editing of questionnaires • Checking data files, including open-ended responses • Final data control on aggregate data file

In addition to the above, retailers were filtered through a number of screening questions added to the questionnaire (see Annex 4: 'Screening questions'). These questions ensured that the company sells directly to consumers, sells non-food products (rather than food products or services), the interviewee is the appropriate contact for participating in the Study and had decision-making responsibility within the company.

Overview of responses

A total of 375 responses were collected from retailers located in fifteen EU countries.

Figure A.2. Number of respondents by Member State and company size (number of employees)

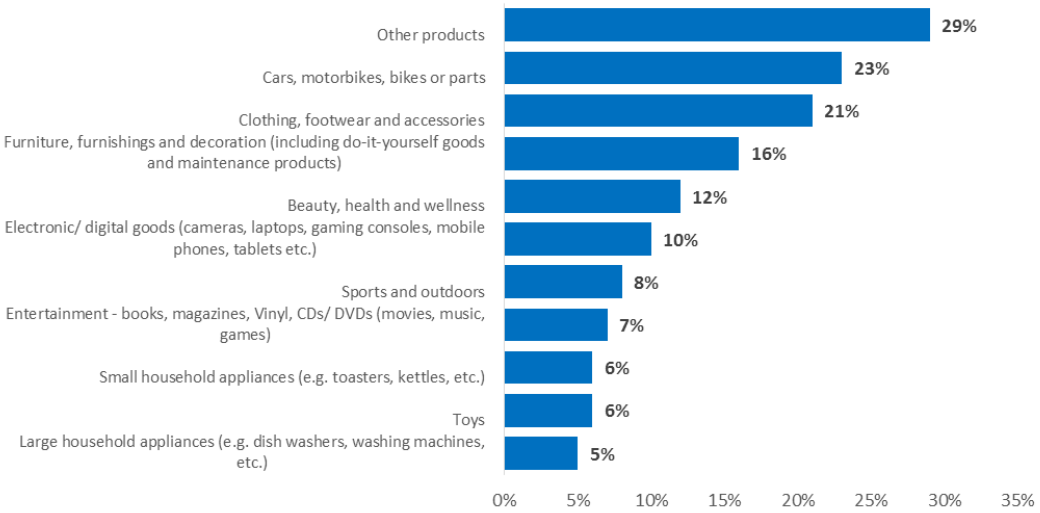


Note: response base is 375.

The high majority of respondents deal with face-to-face sale (59%), and given the nature of this type of business it is not surprising that only a minority of them sell cross-border. Although less represented, up to half of retailers selling only through distance sale channels sell cross-border.

Figure A.3 shows the share of respondents by sector, highlighting that retailers from a variety of products ('Other'), cars, clothing and furniture were most represented in this survey.

Figure A.3. Share of respondents by sector



Note: response base is 375.

Table A.5. Number of respondents by sector

Sector	Respondents
Cars, motorbikes, bikes or parts	87
Clothing, footwear and accessories	80
Furniture, furnishings and decoration (including do-it-yourself goods and maintenance products)	60
Beauty, health and wellness	44
Electronic/ digital goods (cameras, laptops, gaming consoles, mobile phones, tablets etc.)	36
Sports and outdoors	29
Entertainment - books, magazines, Vinyl, CDs/ DVDs (movies, music, games)	28
Small household appliances (e.g. toasters, kettles, etc.)	24
Toys	21
Other products	21
Large household appliances (e.g. dish washers, washing machines, etc.)	19
Total	***375***

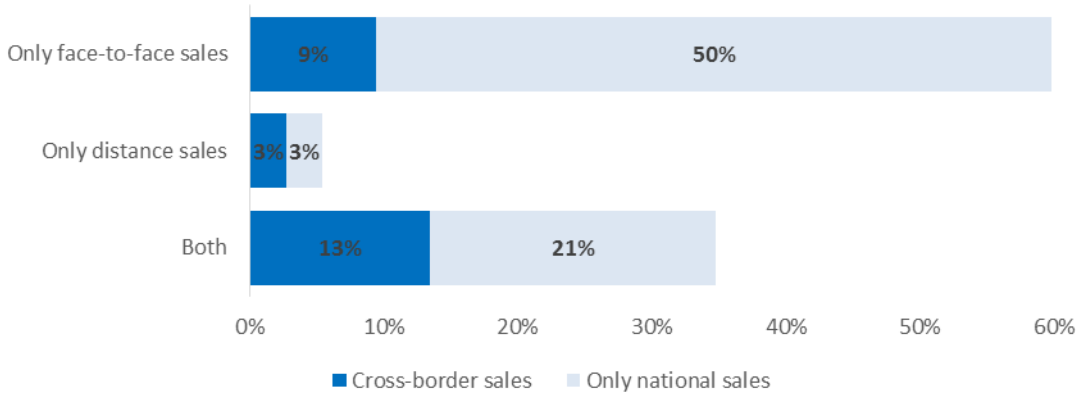
In the category 'Other products' the following products were identified by respondents:

Table A.6. Further details on 'Other' products, by Member State

Member States	Other types of products
Austria	*None under 'Other'*
Bulgaria	Not specified
Finland	Pet products/ accessories
France	Pet products/ accessories
Germany	Stationary
Greece	*None under 'Other'*
Hungary	Pet products/ accessories
Luxembourg	Fishing equipment
Netherlands	Gift products
Poland	Not specified
Portugal	Various small articles
Romania	Seeds, Fertilizers, Pesticides
Spain	Knives, pocket knives, precision weapons and firearms
Sweden	Not specified
UK	Plastic bags

Note: total doesn't add up to 21 as not all respondents provided further details.

Figure A.4. Share of respondents by sales channel and target market



Base: 371[152], 'Only face-to-face': 222 ('Cross-border sales': 35, 'Only national sales': 187), Only distance sales: 20 (Cross-border sales: 10, 'Only national sales': 10), 'Both': 129 (Cross-border sales: 50, Only national sales: 79).

Table A.7. Overview of respondents by Member State and sales channel

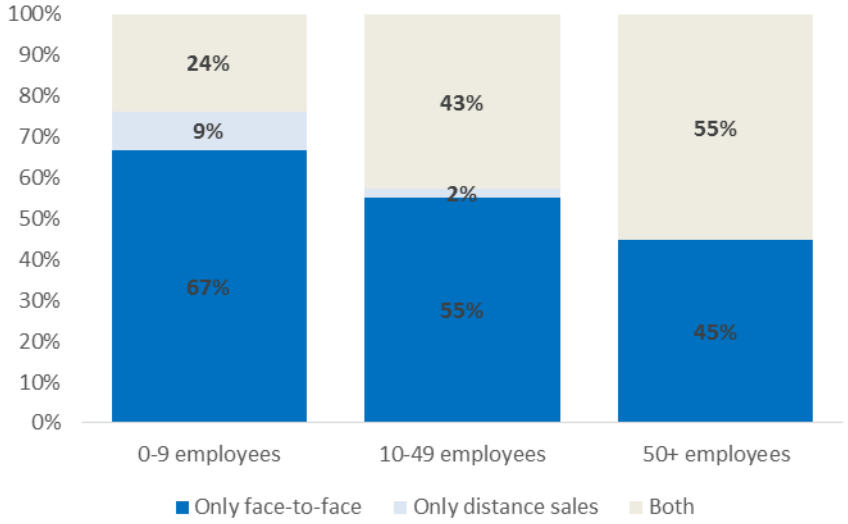
For the purposes of this study, the company size is defined by the number of employees. In terms of number of employees, about half of respondents are micro companies between 0 and 9 employees (49%, n=181), followed by small companies - 10-49 employees – (41%, n=152). Only 10% are companies that with between 50 and 250 employees (n=38).

Sales channel	Count	All	AT	BG	FI	FR	DE	EL	HU	LU	NL	PL	PT	RO	ES	SE	UK
Only face-to-face	Number of respondents	222	22	23	11	12	14	17	14	10	9	17	23	14	18	13	5
	Share	60%	81%	74%	41%	57%	56%	65%	54%	63%	38%	63%	74%	50%	69%	52%	45%
Only distance sales	Number of respondents	20	0	0	1	1	3	0	3	1	2	2	0	2	0	4	1
	Share	5%	%	%	4%	5%	12%	%	12%	6%	8%	7%	%	7%	%	16%	9%
Both	Number of respondents	129	5	8	15	8	8	9	9	5	13	8	8	12	8	8	5
	Share	35%	19%	26%	56%	38%	32%	35%	35%	31%	54%	30%	26%	43%	31%	32%	45%
Total	Number of respondents	371	27	31	27	21	25	26	26	16	24	27	31	28	26	25	11

[152] Four respondents only selected "other" sales channels, and based on the response that they provided, it was not possible to classify these channels as either "distance" or "face-to-face".

While the size of the company does not necessarily explain the extent of cross-border activity (between 25% and 29% for each category), this is different for the type of business model. Smaller companies are more likely to only conduct face-to-face sales, while the bigger the company the more it will be oriented toward a multichannel business model.

Figure A.5. Share of respondents by business model and company size



Base: 'all respondents': 371[153], '0-9 employees': 181 ('Only face-to-face': 121, 'Only distance sales' 17), '10-49 employees': 152 ('Only face-to-face': 84, 'Only distance sales': 3), '50-250 employees: 38' ('Only face-to-face': 17, 'Only distance sales': 0).

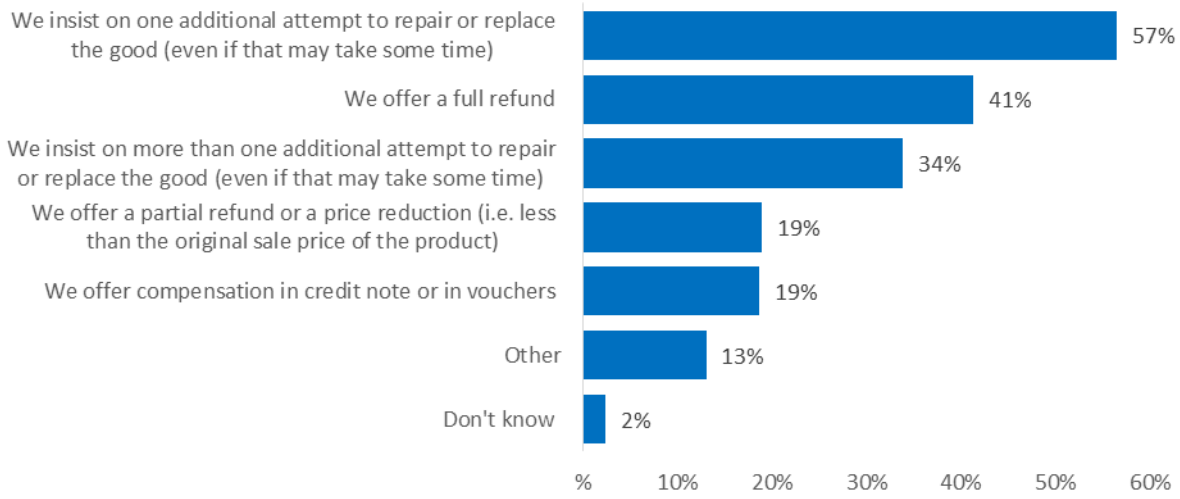
Q1. In case a consumer is not satisfied with a repair or replacement of faulty goods during the legal guarantee period, what action does your company normally take?

Question asked to all respondents in 15 Member States. Response base= 375

In case a consumer is not satisfied with a repair /replacement of faulty goods during the legal guarantee period, the majority of retailers surveyed propose a second additional attempt to repair or replace the good. The second most likely course of action is the offer of a full refund to the unsatisfied customer.

[153] Four respondents only selected "other" sales channels, and based on the response that they provided, it was not possible to classify these channels as either "distance" or "face-to-face".

Figure A.6. Answer to question: In case a consumer is not satisfied with a repair */replacement of faulty goods during the legal guarantee period, what action does your company normally take?*



Base: Total 375, 'We insist on one additional attempt to repair or replace the good (even if that may take some time)': 212, 'We insist on more than one additional attempt to repair or replace the good (even if that may take some time)': 127, 'We offer a full refund': 155, 'We offer a partial refund or a price reduction (i.e. less than the original sale price of the product)': 71, 'We offer compensation in credit note or in vouchers': 70, 'Other, please specify': 49, 'Don't know': 9.

The size of the company seems to affect how complaints are dealt with. Indeed, while companies up to 49 employees tend to favour repairing or replacing the faulty good (an option indicated by 59% of interviewees in both categories, n=198), this approach is used only by 37% of bigger companies (n=14) that on the contrary tend to opt for offering a full refund (about 60%, n=23).

The offer of a full refund is also more common in case of retailers that operate only distance sales than retailers using face-to-face sales or both (respectively 60%, n=12, against 41%, n=143).

Table A.8. Answer to question: In case a consumer is not satisfied with a repair /replacement of faulty goods during the legal guarantee period, what action does your company normally take?

Action	Sales channel			Cross-border sales			Size (Employees)		
	All countries	Only face-to-face	Only distance sales	Both	Yes	No	0-9 employees	10-49 employees	50-250 employees
We insist on one additional attempt to repair or replace the good (even if that may take some time)	57%	56%	65%	57%	52%	58%	59%	58%	37%

Action	Sales channel			Cross-border sales			Size (Employees)		
	All countries	Only face-to-face	Only distance sales	Both	Yes	No	0-9 employees	10-49 employees	50-250 employees
We insist on more than one additional attempt to repair or replace the good (even if that may take some time)	34%	33%	45%	33%	32%	35%	28%	38%	47%
We offer a full refund	41%	41%	60%	41%	39%	42%	40%	38%	61%
We offer a partial refund or a price reduction (i.e. less than the original sale price of the product)	19%	15%	30%	24%	17%	19%	15%	20%	34%
We offer compensation in credit note or in vouchers	19%	19%	15%	19%	19%	18%	18%	18%	24%
Other, please specify	13%	15%	0%	12%	13%	13%	14%	12%	13%
Don't know	2%	3%	0%	2%	3%	2%	3%	2%	0%
Response base	***375***	***222***	***20***	***129***	***98***	***277***	***184***	***153***	***38***

Cost of adapting to and complying with different national consumer protection rules across the EU

Question 2. In your country or in the countries where you sell consumer goods, the national legislation on consumer remedies for faulty products goes beyond the minimum requirements under EU legislation. Do the following rules on consumer remedies for faulty products result in additional costs for your company or do the benefits prevail?

2a. Question asked to respondents in Germany, France, Spain, Portugal, Romania, Sweden and selling in Malta and Slovenia. Response base=

2b. Question asked to respondents in France, Spain, Sweden and selling in Italy and Slovenia. Response base=

Question 2 covers the costs of complying with the legal guarantee period of longer than 2 years in some Member States, having to proof that the defect did not exist at the time of delivery up to two years (instead of 6 months), the absence of an obligation on consumers to notify the seller of a defect within 2 months of discovering it, the cost of providing a free choice of remedies instead of a hierarchy. Table A.9 provides an overview of the cost of adapting to and complying with different national consumer protection rules across the EU. Table A.9 instead provides a full overview of responses by Member State.

Table A.9. Overview of cost of adapting to and complying with different national consumer protection rules across the EU

Costs	A requirement on manufactures/importers to keep essential spare parts available for sellers during a certain time period	An obligation on sellers to inform consumers about the time period in which essential spare parts will be available
Major costs	6%	4%
Moderate costs	28%	13%
No costs/benefits prevail	55%	69%
Don't know	11%	13%
Case size	201	113

Table A.10. Cost of compliance by sales channel, engagement in cross border activity and size of business

			Sales channel						Size (Employees)		
			Only face-to-face		Only distance sales		Both				
			Does your company sell products to consumers in more than one EU-country through face-to-face channels ...		Does your company sell products to consumers in more than one EU-country through face-to-face channels ...		Does your company sell products to consumers in more than one EU-country through face-to-face channels ...				
	Cost scale	Count /share	Yes	No, we only sell domestically, i.e. in one EU country	Yes	No, we only sell domestically, i.e. in one EU country	Yes	No, we only sell domestically, i.e. in one EU country	0-9 employees	10-49 employees	50-250 employees
Q2a: A requirement on manufactures/importers to keep essential spare parts available for sellers during a certain time period	Major costs	Count	12	8	0	4	8	4	3	7	2
		%	6%	7%	%	5%	10%	3%	3%	8%	11%
	Moderate costs	Count	56	31	3	22	18	38	21	28	7
		%	28%	27%	23%	30%	22%	32%	22%	33%	37%
	No costs/benefits prevail	Count	110	64	10	36	44	66	57	44	9
		%	55%	56%	77%	49%	54%	55%	59%	52%	47%
	Don't know	Count	23	12	-	11	11	12	16	6	1
		%	11%	10%	%	15%	14%	10%	16%	7%	5%
	Total	**Count**	**201**	**115**	**13**	**73**	**81**	**120**	**97**	**85**	**19**
		%	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**

			Sales channel						Size (Employees)		
			Only face-to-face		Only distance sales		Both				
			Does your company sell products to consumers in more than one EU-country through face-to-face channels ...		Does your company sell products to consumers in more than one EU-country through face-to-face channels ...		Does your company sell products to consumers in more than one EU-country through face-to-face channels ...				
	Cost scale	Count /share	Yes	No, we only sell domestically, i.e. in one EU country	Yes	No, we only sell domestically, i.e. in one EU country	Yes	No, we only sell domestically, i.e. in one EU country	0-9 employees	10-49 employees	50-250 employees
Q2b: An obligation on sellers to inform consumers about the time period in which essential spare parts will be available	Major costs	Count	5	2	1	2	5	0	2	3	0
		%	4%	3%	13%	4%	8%	%	3%	7%	%
	Moderate costs	Count	15	6	0	9	6	9	6	7	2
		%	13%	10%	%	19%	10%	18%	10%	17%	20%
	No costs/benefits prevail	Count	78	42	7	29	44	34	46	25	7
		%	69%	72%	88%	62%	71%	67%	75%	60%	70%
	Don't know	Count	15	8	0	7	7	8	7	7	1
		%	13%	14%	%	15%	11%	16%	11%	17%	10%
	Total	**Count**	**113**	**58**	**8**	**47**	**62**	**51**	**61**	**42**	**10**
		%	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**

Source: Business interviews

Q3a. Do any products sold by your company come with a free-of charge manufacturers guarantee? (e.g. a guarantee offered by the manufacturer, not by your company)

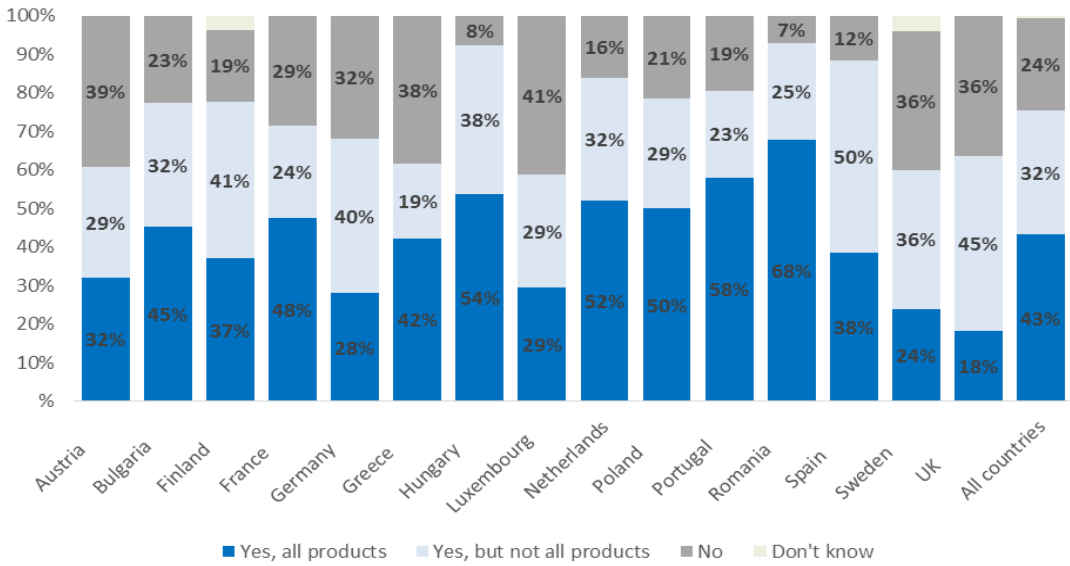
Question asked to respondents in all Member States. Response base= 375

The provision of a free-of charge manufacturers' guarantee changes greatly among countries. In five Member States (HU, NL, PL, PT, RO) more than 50% of respondents stated that all products are sold with a manufacturers guarantee. While in SE and UK this was the case for less than a fifth of respondents.

Only a fourth of total respondents stated that this guarantee is not provided at all, although the situation varies among countries (e.g. only 7% of respondents in Romania, up to 41% in Luxembourg).

No relevant differences can be noted segmenting the answers by typology of respondents.

Figure A.7. Do any products sold by your company come with a free-of charge manufacturer's guarantee? (e.g. a guarantee offered by the manufacturer, not by your company)



Base: Total answers 375, Austria: 28 (Yes, all products 9, Yes, but not all products 8, No 11, Don't know 0), Bulgaria: 31 (Yes, all products 14, Yes, but not all products 10, No 7, Don't know 0), Finland: 27 (Yes, all products 10, Yes, but not all products 11, No 5, Don't know 1), France: 21 (Yes, all products 10, Yes, but not all products 5, No 6, Don't know 0), Germany: 25 (Yes, all products 7, Yes, but not all products 10, No 8, Don't know 0), Greece: 26 (Yes, all products 11, Yes, but not all products 5, No 10, Don't know 0), Hungary: 26 (Yes, all products 14, Yes, but not all products 10, No 2, Don't know 0), Luxembourg: 17 (Yes, all products 5, Yes, but not all products 5, No 7, Don't know 0), Netherlands: 25 (Yes, all products 13, Yes, but not all products 8, No 4, Don't know 0), Poland: 28 (Yes, all products 14, Yes, but not all products 8, No 6, Don't know 0), Portugal: 31 (Yes, all products 18, Yes, but not all products 7, No 6, Don't know 0), Romania: 28 (Yes, all products 19, Yes, but not all products 7, No 2, Don't know 0), Spain: 26 (Yes, all products 10, Yes, but not all products 13, No 3, Don't know 0), Sweden: 25 (Yes, all products 6, Yes, but not all products 9, No 9, Don't know 1), UK: 11 (Yes, all products 2, Yes, but not all products 5, No 4, Don't know 0).

Q4a. Is the manufacturers guarantee shorter or longer than the legal guarantee period?

Question asked to respondents in all Finland, the Netherlands, Sweden and the United Kingdom. Response base= 64

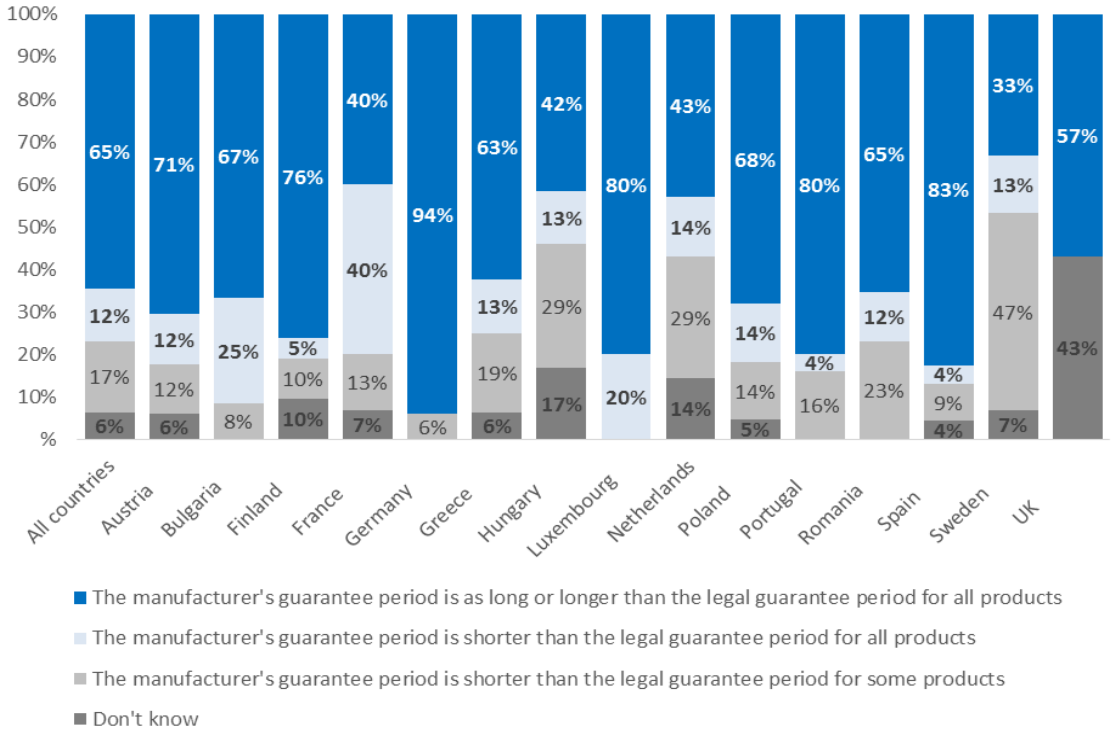
Q4b. Is the manufacturer's guarantee shorter or longer than the 2-year legal guarantee period?

Question asked to respondents in Bulgaria, France, Germany, Greece, Hungary, Luxembourg, Poland, Portugal, Romania and Spain. Response base= 219

Respondents that sell products featuring a free-of charge manufacturers' guarantee were asked about the length of such guarantee compared to the Member State's legal guarantee period. About two third of respondents stated that the manufacturers' guarantee, when provided, is as long as or longer than the legal guarantee for all products. This is not the case in Sweden, where 60% of respondents stated that the manufacturers' guarantee is shorter than the 3 year legal guarantee. This could be considered consistent with the legal guarantee being longer than in Sweden than other EU countries.

Surprisingly, UK responses are in line with those of other EU countries despite the legal guarantee being much longer (six years[154]). This is possibly due to the low awareness by UK respondents of the legal (statutory) guarantee period as highlighted in Q1. No relevant differences can be noted segmenting the answers by typology of respondents.

Figure A.8. Is the manufacturers guarantee shorter or longer than the legal guarantee period?



Base: total 283; Austria: 17 (Shorter for all products 2, Shorter for some products 2, As long or longer 12, Don't know 1); Bulgaria: 24 (Shorter for all products 6, Shorter for some products 2, As long or longer 16, Don't know 0); Finland: 21 (Shorter for all products 1, Shorter for some products 2, As long or longer 16, Don't know 2); France: 15 (Shorter for all products 6, Shorter for some products 2, As long or longer 6, Don't know 1); Germany: 17 (Shorter for all products 0, Shorter for some products 1, As long or longer 16, Don't know 0); Greece: 16 (Shorter for all products 2, Shorter for some products 3, As long or longer 10, Don't know 1); Hungary: 24 (Shorter for all products 3, Shorter for some products 7, As long or longer 10, Don't know 4); Luxembourg: 10 (Shorter for all products 2, Shorter for some products 0, As long or longer 8, Don't know

[154] Five years in Scotland.

0); Netherlands: 21 (Shorter for all products 3, Shorter for some products 6, As long or longer 9, Don't know 3); Poland: 22 (Shorter for all products 3, Shorter for some products 3, As long or longer 15, Don't know 1); Portugal: 25 (Shorter for all products 1, Shorter for some products 4, As long or longer 20, Don't know 0); Romania: 26 (Shorter for all products 3, Shorter for some products 6, As long or longer 17, Don't know 0); Spain: 23 (Shorter for all products 1, Shorter for some products 2, As long or longer 19, Don't know 1); Sweden: 15 (Shorter for all products 2, Shorter for some products 7, As long or longer 5, Don't know 1); UK: 7 (Shorter for all products 0, Shorter for some products 0, As long or longer 4, Don't know 3);

Q5. Who ultimately bears the cost of the legal guarantee in case the manufacturers guarantee is shorter than the legal guarantee?

Question asked to respondents in answering no to question 4a. Response base= 82

This question was asked only to those respondents that stated that the manufacturers' guarantee is shorter than the legal guarantee period. Given the low number of answers collected for this question (n=82) an in-depth segmentation of responses was not possible. A small percentage of respondents (13%, n=11) stated that the cost of the legal guarantee is fully passed back to the manufacturer/ supplier. Few countries however reported a higher percentage (above 22%) of such cases ((FR n=2, HU n=3, LU n=1, NL n=2).

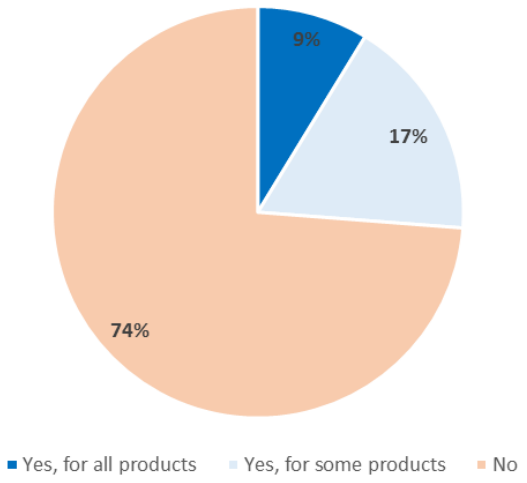
The majority of respondents (45%, n=37) stated that the cost is ultimately borne by their own company. While according to a third of respondents (33%, n=27) the cost is partially passed back to the manufacturer/ supplier.

Q6a. Does your company offer a free-of-charge commercial guarantee that is longer than the legal guarantee period in your country?

Question asked to respondents in Bulgaria, France, Germany, Greece, Hungary, Luxembourg, Poland, Portugal, Romania and Spain. Response base= 287

The responses for this question are separated for Member States based on the current length of the legal guarantee. For the Member States with a legal guarantee of two years, responses are set out in Figure A.9, showing that for three quarters of respondents no commercial guarantee is offered that is longer than two years.

Figure A.9. Free-of-charge commercial guarantee longer than the legal guarantee.



Q6b. Does your company offer a free-of-charge commercial guarantee that is longer than the legal guarantee period in your country?

Question asked to respondents in Finland, the Netherlands, Sweden and the United Kingdom. Response base= 88

For the four Member States with a legal guarantee longer than, the trend is more marked than for countries with a two-year legal guarantee in the case of Finland and the United Kingdom, with respectively 85% and 91% indicating not to offer a commercial guarantee. In fact, no respondents in the United Kingdom offered or was aware about offering a commercial guarantee. In the Netherlands about a quarter of respondents indicated to offer a commercial guarantee for all products, while 28% offer it for some products, compared to respectively 8% and 24% in Sweden.

Table A.11. Share of retailers (respondents) offering free-of-charge commercial guarantees longer than the legal guarantee period, by Member State and legal guarantee period

Member State ->	**Finland**	**Netherlands**	**Sweden**	**UK**
Legal guarantee ->	***No fixed legal guarantee period***	***No fixed legal guarantee period***	***Three years***	***5 years (Scotland), 6 years (England and Wales)***
Yes, for all products	4%	24%	8%	%
Yes, for some products	11%	28%	24%	%
No	85%	44%	68%	91%
Don't know	%	4%	%	9%

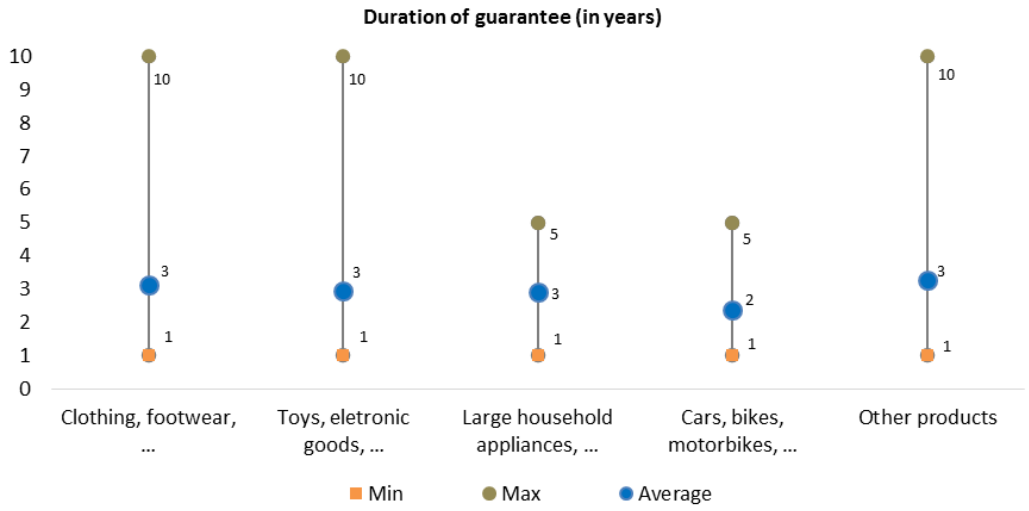
Q7a Please indicate for which product categories the free-of-charge commercial guarantee is longer than the legal guarantee and specify the following details (duration in years of the free-of-charge commercial guarantee, price of the product, and expected lifespan of the product)

Question asked to respondents answering 'yes' to questions 5a or 5b. Response base= ranging from 19 to 26

As indicated in the figure below, free-of-charge commercial guarantees last between one and 10 years for smaller items, including: clothing, footwear, entertainment products, toys, digital goods and small household appliances. Conversely, the guarantee period for larger items – notably large household appliances, furniture, cars and motorbikes – tend to be shorter across Member States, lasting up to five years. On average, commercial guarantee tend to be around three years.

Nonetheless, irrespective of the type of product considered, free-of-charge commercial guarantees appear to have an average duration of about three years in the EU.

Figure A.10. Duration of guarantee in years



Clothing, footwear and accessories, Beauty, health and wellness, Entertainment (books, magazines, Vinyl, CDs/ DVDs), Sports and outdoors n=26; Toys, Electronic/digital goods, Small household appliances n=18; Large household appliances, Furniture, furnishings and decoration n=18; Cars, motorbikes, bikes or parts n=37; Other products n=19

Free-of-charge commercial guarantees cover a range of products, typically varying in price and durability. Larger items (e.g. large household appliances, furniture, cars, etc.) tend to carry an average price of between €800 and €8,000 whereas smaller items (e.g. clothing, footwear, digital goods, etc.) cost between €200 and €400 on average.

Free-of-charge commercial guarantees cover products of up to €25,000 in value as regards certain product categories, notably cars and motorbikes.

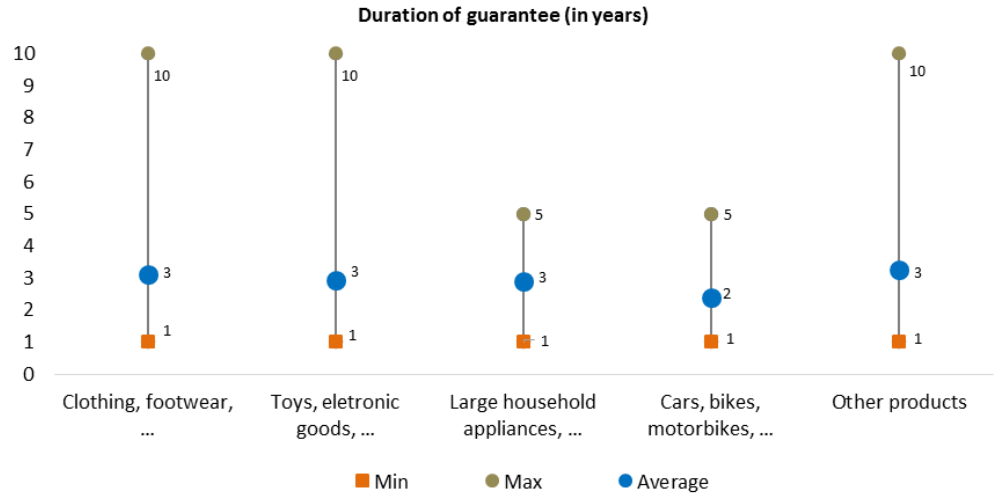
Table A.12. Price of products that carry a free-of-charge commercial guarantee

Product category	Price		
	Minimum	Average	Maximum
Clothing, footwear and accessories, Beauty, health and wellness, Entertainment (books, magazines, Vinyl, CDs/ DVDs), Sports and outdoors	€ 1	€ 231	€ 2,000
Toys, Electronic/digital goods, Small household appliances	€ 30	€ 374	€ 1,500
Large household appliances, Furniture, furnishings and decoration	€ 30	€ 839	€ 5,400
Cars, motorbikes, bikes or parts	€ 30	€ 7,455	€ 25,000
Other products	€ 1	€ 19,358	€ 264,763

Clothing, footwear and accessories, Beauty, health and wellness, Entertainment (books, magazines, Vinyl, CDs/ DVDs), Sports and outdoors n=26; Toys, Electronic/digital goods, Small household appliances n=18; Large household appliances, Furniture, furnishings and decoration n=18; Cars, motorbikes, bikes or parts n=37; Other products n=19

On average, products appear to have an expected lifespan of about 10 years. Durability is reported to be highest amongst toys, electronic/digital goods and small household appliances, estimated at 70 years for some products within this category.

Figure A.11. Expected lifespan of products



Clothing, footwear and accessories, Beauty, health and wellness, Entertainment (books, magazines, Vinyl, CDs/ DVDs), Sports and outdoors n=26; Toys, Electronic/digital goods, Small household appliances n=18; Large household appliances, Furniture, furnishings and decoration n=18; Cars, motorbikes, bikes or parts n=37; Other products n=19

Q8 Are there any other characteristics you considered as important in order to determine the length of the free-of-charge commercial guarantee?

Question asked to respondents answering 'yes' to questions 5a or 5b. Response base= 45

Respondents from 13 out of 15 Member States provided a written response. The number of respondents per Member State is outlined in the table below. Most respondents indicated that **customer relationships** influence the length of free-of-charge commercial guarantees they offer to customers. Commercial guarantees are more likely to be off**ered to retailers' "loyal" clientele or customers whom they trust or know**. For many retailers, **the condition in which products are returned also influences the length of guarantees offered on new or replacement products**. Some retailers also indicated that **planned obsolescence influences the length of commercial guarantees offered**. In those instances, information about products' lifespan / durability helps retailers determine the commercial guarantee period.

Table A.13. Responses to open question 8: Are there any other characteristics you considered as important in order to determine the length of the free-of-charge commercial guarantee?

	All	AT	BG	DE	EL	ES	FI	FR	HU	LU	NL	PL	PT	RO	SE	UK
Count	45	2	2	4	2	4	1	1	4	0	9	6	5	3	2	0

Q9. Approximately how many times was the free-of-charge commercial guarantee invoked during the last 12 months in cases where the legal guarantee period had expired?

Question asked to respondents answering 'yes' to questions 5a or 5b. Response base= 90

Those respondents that offer a longer guarantee for all or just some products (see Q.15) reported that, on average, the free-of-charge commercial guarantee was invoked on average 37 times (based on 90 responses) during the last 12 months in cases where the legal guarantee period had expired, though the median was only 3. It should be said that answers ranged from 1 (Luxembourg) to 1,500 times (Finland). There were responses from all Member States except Bulgaria and the United Kingdom.

Full data are shown in Table A.14.

Table A.14. Number of times the free-of-charge commercial guarantee was invoked during the last 12 months in cases where the legal guarantee period had expired

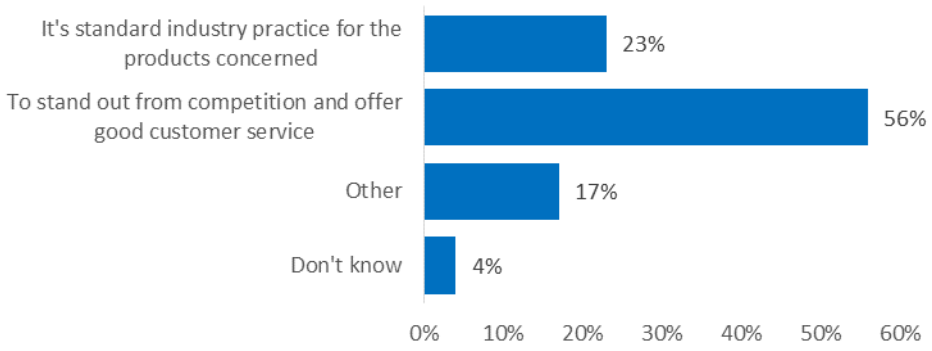
	All	AT	EL	DE	ES	FI	FR	HU	LU	NL	PL	PT	RO	SE
Mean	37	63	6	10	7	677	3	5	1	22	5	16	3	4
Median	3	3	1	5	1	500	3	2	1	4	2	2	2	4
Minimum						30	3							
Maximum	1,500	500	25	40	50	1,500	3	25	2	200	20	100	7	10
Responses (N=)	90	9	5	11	9	3	2	10	2	11	6	8	4	8

Q10. What are your company's motivations for providing free-of-charge commercial guarantees that are longer than the legal guarantee?

Question asked to respondents answering 'yes' to questions 5a or 5b. Response base= 100

Those respondents that offer a commercial guarantee for all or just some products (see Q.15) were asked about the motivation behind such additional service. The main driver appeared to be competition. Offering a better customer service was seen as a way to stand out from competitors by 56% of respondents. No relevant differences can be noted segmenting the answers by typology of respondents.

Figure A.12. Motivations for providing free-of-charge commercial guarantees



Base: Total 100, It's standard industry practice for the products concerned: 23, To stand out from competition and offer good customer service: 56, Other: 17, Don't know 4

Potential changes in EU legislation

Q11 Do you think that the goods that you sell last (on average) more than two years (under normal use)?

Question asked to respondents in all Member States. Response base= 19 to 110 (depending on the product category)

Most retailers feel on average their product lasts more than two years under normal use, though the response is very much tied to the product category. For the beauty, health and wellness sector only 39% think these products last over two years under typical use. Additionally, 24% and 21% of clothing retailers do not feel products will typically last over two years. The overwhelming majority of large household appliances, furniture and electronic goods retailers stated that their products last over two years with normal use (89%, 85% and 81% respectively).

As the results of this question are dependent on the type of product sold, it is not possible to analyse these results by country due to low sample sizes. Results by sector are presented in Table A.15.

Table A.15. Overview of questions on whether goods are considered to last more than two years under normal use

Type of goods	Yes, majority of goods last more than 2 years	Yes, some goods last more than 2 years	No, none of these goods last more than 2 years	Don't know	Base
Clothing, footwear and accessories	56%	16%	21%	6%	80
Beauty, health and wellness	39%	27%	32%	2%	44
Entertainment - books, magazines, Vinyl, CDs/ DVDs (movies, music, games)	75%	7%	14%	4%	28
Sports and outdoors	69%	14%	14%	3%	29
Toys	57%	14%	24%	5%	21
Electronic/ digital goods (cameras, laptops, gaming consoles, mobile phones, tablets etc.)	81%	8%	3%	8%	36
Small household appliances (e.g. toasters, kettles, etc.)	79%	13%	4%	4%	24
Large household appliances (e.g. dish washers, washing machines, etc.)	89%	5%	0%	5%	19
Furniture, furnishings and decoration (including do-it-yourself goods and maintenance products)	85%	5%	8%	2%	60
Cars, motorbikes, bikes or	77%	16%	5%	2%	87

Type of goods	Yes, majority of goods last more than 2 years	Yes, some goods last more than 2 years	No, none of these goods last more than 2 years	Don't know	Base
parts					
Other products	69%	15%	13%	3%	110

Q12 Do you sell goods that come with a statement about their durability/lifespan?

Question asked to respondents in all Member States. Response base= 19 to 110 (depending on the product category)

Most goods do not come with a statement about their durability apart from large household appliances where 58% of retailers state that most of their goods come with this statement.

As the results of this question are dependent on the type of product sold, it is not possible to analyse these results by country due to low sample sizes. Results by sector are presented in Table A.16.

Table A.16. Overview of responses on whether goods come with a statement about durability/lifespan

Type of goods	Yes, majority of goods come with a statement	Yes, some goods come with a statement	No, none of the goods come with a statement	Don't know	Base
Clothing, footwear and accessories	8%	15%	75%	3%	80
Beauty, health and wellness	30%	23%	41%	7%	44
Entertainment - books, magazines, Vinyl, CDs/ DVDs (movies, music, games)	18%	11%	68%	4%	28
Sports and outdoors	10%	28%	59%	3%	29
Toys	10%	14%	67%	10%	21
Electronic/ digital goods (cameras, laptops, gaming consoles, mobile phones, tablets etc.)	25%	25%	39%	11%	36
Small household appliances (e.g. toasters, kettles, etc.)	29%	17%	42%	13%	24

Type of goods	Yes, majority of goods come with a statement	Yes, some goods come with a statement	No, none of the goods come with a statement	Don't know	Base
Large household appliances (e.g. dish washers, washing machines, etc.)	58%	11%	26%	5%	19
Furniture, furnishings and decoration (including do-it-yourself goods and maintenance products)	27%	35%	35%	3%	60
Cars, motorbikes, bikes or parts	34%	14%	52%	%	87
Other products	25%	20%	49%	5%	110

Q13. What would be the impact on your business, in terms of costs and benefits, of introducing a Uniform legal guarantee period of 3 years in all EU Member States?

Question asked to respondents in all Member States. Response base= 375

Opinion is fairly evenly split over the cost implications of a three-year guarantee period across Europe. Whilst over a third (36%) believe that this would have no cost implications, around a fifth believe it would generate major costs, moderate costs or minor costs (22%, 20% and 18% respectively). Retailers in Germany, Hungary and Poland were most likely to say that this would have major costs (44%, 35% and 32% respectively) stating that this would generate major costs. Just over half (52%) of respondents felt there would be no benefits from this change, although 19% thought there might be minor benefits, 17% thought there would be moderate benefits and 9% thought there would be major benefits. However, this varied by country with 23%, 19% and 16% of those in Portugal, Finland and the Netherlands respectively thinking this change would bring major benefits.

Figure A.13. Overview of reported costs and benefits of a uniform legal guarantee period of 3 years

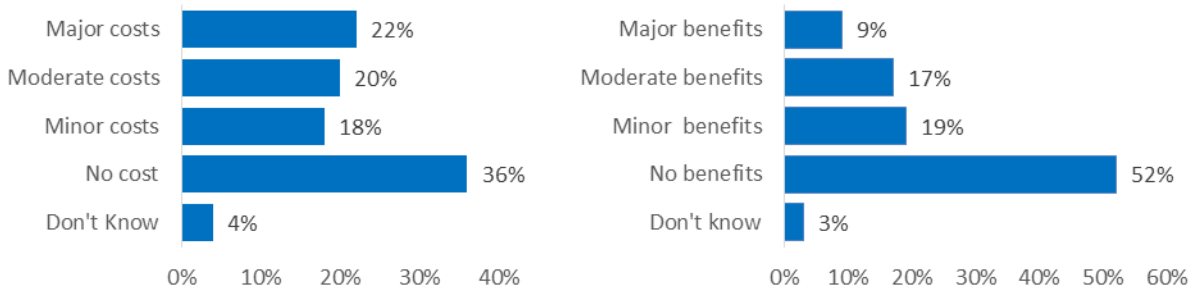


Table A.17. Overview of reported costs and benefits of a uniform legal guarantee period of 3 years

Costs	Major costs	Moderate costs	Minor costs	No costs	Don't know	Base Size
All Countries	22%	20%	18%	36%	4%	375
Austria	18%	21%	21%	39%	%	28
Bulgaria	23%	19%	10%	39%	10%	31
Finland	19%	19%	22%	41%	0%	27
France	19%	19%	5%	57%	0%	21
Germany	44%	12%	20%	24%	0%	25
Greece	27%	23%	15%	27%	8%	26
Hungary	35%	19%	19%	27%	0%	26
Luxembourg	6%	53%	6%	35%	0%	17
Netherlands	16%	16%	24%	28%	16%	25
Poland	32%	14%	11%	29%	14%	28
Portugal	23%	13%	%	61%	3%	31
Romania	25%	32%	18%	25%	0%	28
Spain	12%	12%	54%	19%	4%	26
Sweden	12%	12%	24%	52%	0%	25
UK	0%	27%	36%	36%	0%	11
Benefits	**Major benefits**	**Moderate benefits**	**Minor benefits**	**No benefits**	**Don't know**	**Base size**
All Countries	9%	17%	19%	52%	3%	375
Austria	0%	11%	11%	79%	0%	28
Bulgaria	6%	10%	6%	61%	16%	31
Finland	19%	11%	19%	52%	0%	27
France	0%	29%	10%	62%	0%	21
Germany	8%	4%	24%	64%	0%	25
Greece	4%	19%	23%	54%	0%	26
Hungary	4%	15%	19%	58%	4%	26
Luxembourg	12%	18%	18%	53%	0%	17

Costs	Major costs	Moderate costs	Minor costs	No costs	Don't know	Base Size
Netherlands	16%	16%	20%	44%	4%	25
Poland	7%	14%	25%	39%	14%	28
Portugal	23%	32%	0%	45%	0%	31
Romania	11%	25%	18%	46%	0%	28
Spain	0%	8%	50%	38%	4%	26
Sweden	8%	28%	24%	40%	%	25
UK	9%	18%	27%	45%	0%	11

Q14. Uniform legal guarantee period of 5 years in all EU countries?

Question asked to respondents in all Member States. Response base= 375

Over a third (37%) of retailers felt that a uniform legal guarantee of 5 years would generate major costs and a further 17% thought that this would generate moderate costs. Conversely, 28% of respondents stated that this would lead to no extra cost, rising to 57% of respondents in France. Sixty-one per cent of respondents did not think that raising the legal guarantee period to 5 years would have any benefits.

Figure A.14. Overview of reported costs and benefits of a uniform legal guarantee period of 5 years

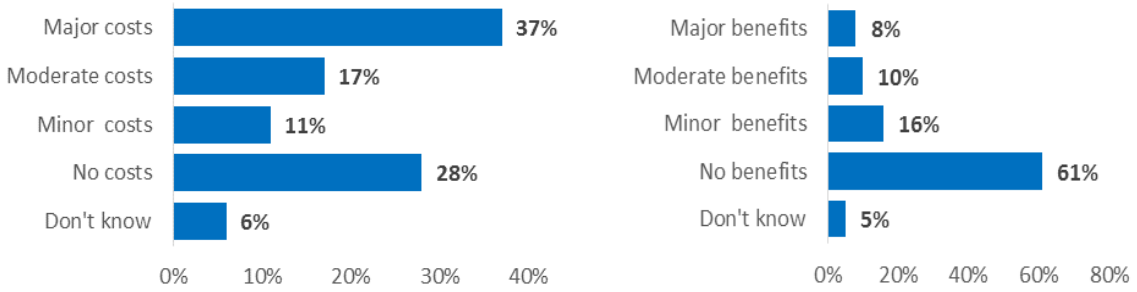


Table A.18. Overview of reported costs and benefits of a uniform legal guarantee period of 5 years

Costs	Major costs	Moderate costs	Minor costs	No costs	Don't know	Base Size
All Countries	37%	17%	11%	28%	6%	375
Austria	50%	11%	4%	32%	4%	28
Bulgaria	29%	13%	10%	39%	10%	31
Finland	33%	26%	19%	22%	0%	27
France	24%	19%	0%	57%	0%	21

Costs	Major costs	Moderate costs	Minor costs	No costs	Don't know	Base Size
Germany	52%	12%	8%	28%	0%	25
Greece	42%	19%	15%	19%	4%	26
Hungary	58%	8%	12%	15%	8%	26
Luxembourg	35%	12%	12%	41%	0%	17
Netherlands	36%	8%	16%	24%	16%	25
Poland	50%	7%	4%	18%	21%	28
Portugal	32%	19%	3%	45%	0%	31
Romania	39%	14%	11%	21%	14%	28
Spain	19%	42%	23%	12%	4%	26
Sweden	32%	24%	20%	20%	4%	25
UK	0%	36%	27%	27%	9%	11
Benefits	**Major benefits**	**Moderate benefits**	**Minor benefits**	**No benefits**	**Don't know**	**Base size**
All Countries	8%	10%	16%	61%	5%	375
Austria	0%	11%	7%	82%	0%	28
Bulgaria	3%	3%	13%	71%	10%	31
Finland	7%	7%	19%	67%	0%	27
France	5%	19%	5%	71%	0%	21
Germany	16%	8%	8%	68%	0%	25
Greece	4%	23%	23%	46%	4%	26
Hungary	0%	12%	4%	77%	8%	26
Luxembourg	6%	12%	18%	65%	0%	17
Netherlands	20%	4%	16%	48%	12%	25
Poland	14%	4%	25%	39%	18%	28
Portugal	19%	6%	0%	74%	0%	31
Romania	11%	18%	14%	46%	11%	28
Spain	0%	0%	54%	42%	4%	26
Sweden	4%	24%	12%	56%	4%	25
UK	0%	0%	36%	55%	9%	11

Q15. What would the impact on your business of linking the legal guarantee period to the statements made by the manufacturer or seller on the durability/lifespan of the product?

Question asked to respondents in all Member States. Response base= 375

Opinion is split on whether a legal guarantee period linked to the normal durability of the item would have cost implications, with 31% saying it would have major implications and 30% saying it would have no cost implications. However, more than half of respondents (59%) agreed that it would provide no benefits with only 7% stating that it would provide major benefits.

Figure A.15. Overview of reported costs and benefits of a legal guarantee period linked to their normal expected durability/lifespan for durable goods

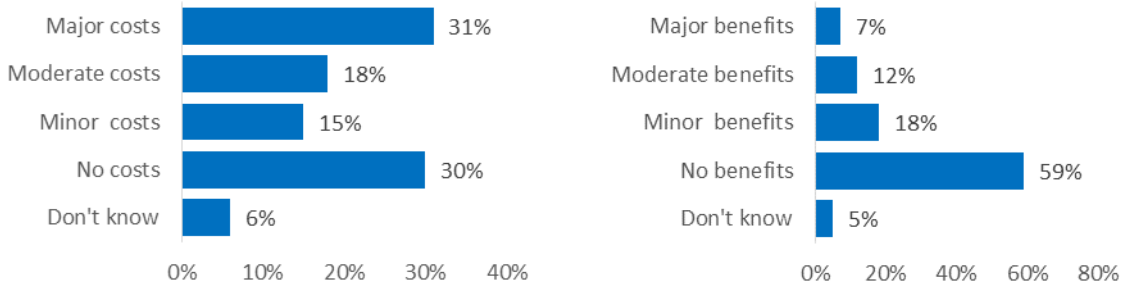


Table A.19. Overview of reported costs and benefits of a legal guarantee period linked to their normal expected durability/lifespan for durable goods

Costs	Major costs	Moderate costs	Minor costs	No costs	Don't know	Base Size
All Countries	31%	18%	15%	30%	6%	375
Austria	29%	11%	18%	39%	4%	28
Bulgaria	32%	10%	6%	39%	13%	31
Finland	37%	11%	22%	26%	4%	27
France	29%	14%	0%	57%	0%	21
Germany	60%	16%	4%	16%	4%	25
Greece	31%	15%	27%	19%	8%	26
Hungary	31%	19%	19%	23%	8%	26
Luxembourg	41%	18%	0%	41%	0%	17
Netherlands	32%	8%	20%	28%	12%	25
Poland	25%	18%	18%	25%	14%	28
Portugal	26%	19%	10%	45%	0%	31
Romania	25%	25%	14%	29%	7%	28
Spain	19%	42%	19%	15%	4%	26

Costs	Major costs	Moderate costs	Minor costs	No costs	Don't know	Base Size
Sweden	24%	28%	24%	20%	4%	25
UK	18%	27%	18%	27%	9%	11
Benefits	**Major benefits**	**Moderate benefits**	**Minor benefits**	**No benefits**	**Don't know**	**Base size**
All Countries	7%	12%	18%	59%	5%	375
Austria	0%	11%	21%	64%	4%	28
Bulgaria	3%	13%	10%	58%	16%	31
Finland	7%	7%	15%	63%	7%	27
France	14%	10%	10%	67%	0%	21
Germany	0%	12%	12%	76%	0%	25
Greece	12%	8%	31%	46%	4%	26
Hungary	4%	8%	12%	69%	8%	26
Luxembourg	12%	0%	12%	76%	0%	17
Netherlands	12%	12%	20%	52%	4%	25
Poland	11%	18%	18%	39%	14%	28
Portugal	16%	10%	6%	68%	0%	31
Romania	4%	32%	18%	39%	7%	28
Spain	0%	0%	42%	54%	4%	26
Sweden	0%	24%	16%	60%	0%	25
UK	9%	9%	27%	55%	0%	11

Q16. Linking the legal guarantee period to the statements made by the manufacturer or seller on the durability/lifespan of the product?

Question asked to respondents in all Member States. Response base= 375

Around half (51%) of respondents believe there will be some cost implications in linking the guarantee period to a statement made by the manufacturer, though opinion is divided on the extent of these costs. This varies widely across countries with retailers in Poland, the Netherlands, Luxembourg, France and Germany more likely to believe this will have major costs. Opinion is similarly split on whether there would be benefits, although 71% of retails in Austria and Luxembourg believe there would be no benefits.

Figure A.16. Overview of reported costs and benefits that link the legal guarantee period to the statements made by the manufacturer or seller on the durability/lifespan of the product

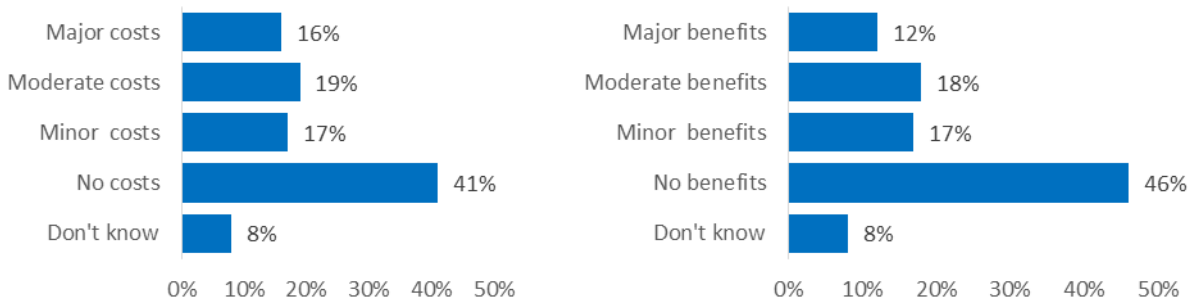


Table A.20. Overview of reported costs and benefits that link the legal guarantee period to the statements made by the manufacturer or seller on the durability/lifespan of the product

Costs	Major costs	Moderate costs	Minor costs	No costs	Don't know	Base Size
All Countries	16%	19%	17%	41%	8%	375
Austria	14%	21%	21%	32%	11%	28
Bulgaria	6%	13%	10%	45%	26%	31
Finland	11%	7%	19%	56%	7%	27
France	29%	10%	%	52%	10%	21
Germany	28%	12%	16%	44%	%	25
Greece	12%	15%	27%	38%	8%	26
Hungary	4%	27%	23%	35%	12%	26
Luxembourg	29%	29%	12%	29%	%	17
Netherlands	28%	12%	24%	32%	4%	25
Poland	32%	18%	7%	36%	7%	28
Portugal	16%	6%	10%	68%	%	31
Romania	7%	36%	25%	29%	4%	28
Spain	8%	46%	15%	23%	8%	26
Sweden	8%	16%	24%	44%	8%	25
UK	9%	9%	18%	45%	18%	11

Benefits	Major benefits	Moderate benefits	Minor benefits	No benefits	Don't know	Base size
All Countries	12%	18%	17%	46%	8%	375
Austria	0%	18%	11%	71%	0%	28
Bulgaria	3%	19%	3%	45%	29%	31
Finland	0%	19%	22%	52%	7%	27
France	14%	5%	5%	67%	10%	21
Germany	28%	8%	12%	52%	0%	25
Greece	31%	8%	15%	42%	4%	26
Hungary	19%	15%	15%	38%	12%	26
Luxembourg	6%	18%	6%	71%	0%	17
Netherlands	8%	24%	16%	44%	8%	25
Poland	14%	18%	25%	32%	11%	28
Portugal	19%	26%	6%	48%	0%	31
Romania	14%	32%	21%	29%	4%	28
Spain	0%	0%	42%	50%	8%	26
Sweden	12%	36%	20%	24%	8%	25
UK	0%	9%	36%	36%	18%	11

Q17 (a, b). Would you consider it fair if consumers had the opportunity to ask for a full refund?

Question asked to respondents in all Member States. Response base= 375

Almost three-quarters (74%) of respondents would find it fair if a customer was offered a refund if a product was not fixed within a certain period. Over half also agreed that it would be fair for a customer to receive a full refund directly after discovering a defect (53%).

Responses varied quite considerably between the countries within the survey. Retailers in Germany, France and Austria are less inclined to agree that it is fair for a customer to receive a full refund directly after discovering a defect with only 36%, 38% and 39% respectively agreeing it is fair, whereas 74% of retailers in Portugal agree it is fair.

Although most retailers (74%) said it was fair for a customer to receive a full refund if the product repair was not carried out within a given time period, fewer retailers agreed with this in Poland (57%) and Finland (59%), whereas more retailers agreed with this in the UK (91%).

Table A.21. Responses on whether retailers consider it fair if consumers had the opportunity to ask for a full refund, by reason

17a.Directly after discovering a defect?	Yes	No	Don't know	Base
All Countries	53%	42%	5%	375
Austria	39%	57%	4%	28
Bulgaria	65%	23%	13%	31
Finland	37%	59%	4%	27
France	38%	62%	0%	21
Germany	36%	64%	0%	25
Greece	62%	35%	4%	26
Hungary	65%	31%	4%	26
Luxembourg	47%	53%	0%	17
Netherlands	64%	24%	12%	25
Poland	46%	43%	11%	28
Portugal	74%	26%	0%	31
Romania	54%	43%	4%	28
Spain	62%	35%	4%	26
Sweden	44%	56%	0%	25
UK	64%	18%	18%	11
17b. If the repair or replacement is not carried out within a specified period?	**Yes**	**No**	**Don't know**	**Base**
All Countries	74%	21%	5%	375
Austria	79%	18%	4%	28
Bulgaria	77%	16%	6%	31
Finland	59%	33%	7%	27
France	67%	33%	0%	21
Germany	60%	40%	0%	25
Greece	77%	15%	8%	26
Hungary	65%	31%	4%	26
Luxembourg	65%	35%	0%	17
Netherlands	72%	20%	8%	25

Poland	57%	21%	21%	28
Portugal	90%	10%	0%	31
Romania	93%	7%	0%	28
Spain	85%	12%	4%	26
Sweden	72%	28%	0%	25
UK	91%	0%	9%	11

Q17c. Why would you consider it unfair if consumers had the opportunity to ask for a full refund?

About 166[155] respondents motivated their negative answer to Q30. The underlying consideration is that there is no one-size fits all approach that can be considered satisfying for any product, as it indeed may depend on the product. There are goods that by nature are supposed to be used for a sustained amount of time and can be repaired multiple times and others for which that is not possible or fair.

About a third of respondents (n=56) consider that before offering a refund, the faulty good should be repaired and/or replaced.[156] Almost 20% of respondents are afraid that establishing the possibility of a full refund could allow abuses and misuses of such right by customers (n=32). For example, customers could pay less attention to the correct use and maintenance of purchased products, or ask for a refund on the basis of defects that are linked to the normal product life and were not existing at the moment of the purchase. About twenty respondents would require to assess the cause of the defect prior to establish the most suited course of action (e.g. if due to a product problem or a customer's doing). However, they also pointed out that after long time it could be hard to assess the origin of the defect.

Several respondents (n=17) considered it unfair to offer a full refund if the defect is discovered or reported after a long time as the good has already been used and enjoyed by the consumer.

Few respondents (n=4) stated that delays in repairing the defective products depend on several factors that cannot be attributed to the seller (e.g. long time for delivery, especially in cross-border selling; busy periods (e.g. Christmas); particularly difficult repairing needed; etc.), and it would be unfair to link to these delays a full refund.

In terms of costs, about 10% of respondents (n=15) stated that there would be an increase of costs for sellers if such possibility was enforced. Costs linked not only to the concrete refund but to all administrative and practical costs (e.g. payment fees, delivery fees, etc.). The consequent risk would be an increase of final prices.

Respondents also felt that such possibility would place all the risk of the sale on the seller (or eventually on the manufacturer), relieving the customer of any due diligence obligation and exposing the seller to abuses and misuses of such right.

[155] A total of 219 open answers were provided. Data cleaning highlighted 166 useful answers.

[156] Only repair (n=23), only replacement (n=18), both repair and replacement (n=15).

Q18. Impact on business of a uniform obligation on sellers to: Inform consumers about the time period in which essential spare parts will be available?

Question asked to respondents in all Member States. Response base= 375

Opinion is quite evenly divided as to whether an obligation on sellers to inform consumers about the time period in which essential spare parts will be available, with 44% thinking there to be costs and 46% believing they would incur no costs. This idea was perceived as more costly in Poland and France, where around a quarter thought the obligation would have major costs.

Figure A.17. Overview of reported costs and benefits on an obligation on sellers to inform consumers about the time period in which essential spare parts will be available.

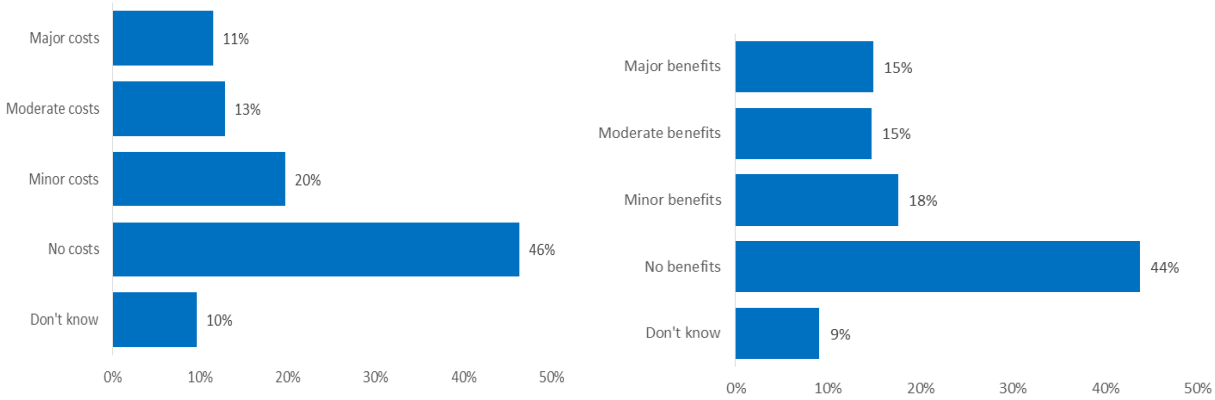


Table A.22. Overview of reported costs and benefits on an obligation on sellers to inform the consumers about the time period in which essential spare parts will be available?

Costs	Major costs	Moderate costs	Minor costs	No costs	Don't know	Base Size
All Countries	11%	13%	20%	46%	10%	375
Austria	21%	7%	21%	39%	11%	28
Bulgaria	16%	10%	3%	58%	13%	31
Finland	4%	15%	19%	59%	4%	27
France	24%	5%	14%	43%	14%	21
Germany	16%	8%	16%	52%	8%	25
Greece	8%	8%	23%	46%	15%	26
Hungary	%	8%	27%	58%	8%	26
Luxembourg	18%	24%	24%	35%	%	17
Netherlands	%	24%	16%	48%	12%	25
Poland	25%	11%	14%	21%	29%	28

Portugal	13%	10%	10%	65%	3%	31
Romania	7%	29%	21%	39%	4%	28
Spain	4%	4%	35%	50%	8%	26
Sweden	12%	24%	28%	32%	4%	25
UK	%	9%	45%	36%	9%	11
Benefits	**Major benefits**	**Moderate benefits**	**Minor benefits**	**No benefits**	**Don't know**	**Base size**
All Countries	15%	15%	18%	44%	9%	375
Austria	14%	11%	14%	54%	7%	28
Bulgaria	6%	26%	10%	42%	16%	31
Finland	7%	7%	37%	41%	7%	27
France	5%	14%	14%	57%	10%	21
Germany	24%	12%	16%	44%	4%	25
Greece	19%	4%	8%	58%	12%	26
Hungary	19%	23%	19%	35%	4%	26
Luxembourg	35%	12%	12%	41%	%	17
Netherlands	12%	32%	12%	32%	12%	25
Poland	14%	7%	25%	25%	29%	28
Portugal	29%	16%	3%	48%	3%	31
Romania	14%	21%	18%	43%	4%	28
Spain	%	8%	19%	58%	15%	26
Sweden	20%	16%	32%	32%	%	25
UK	%	%	36%	55%	9%	11

Q19. Impact on businesses of a uniform obligation on sellers to: Carry out repairs requested by the consumer under legal guarantee within a specified time period?

Question asked to respondents in all Member States. Response base= 375

Opinion is quite evenly divided as to whether an obligation on sellers to carry out repairs within a specified time frame would have cost implications, with a majority believing that they would incur major, moderate or minor costs (20%, 21%, 22% respectively) and 28% believing they would incur no costs. This idea was perceived as more costly in Portugal, where 35% of respondents reported that this would incur major costs. The majority of respondents (54%) thought the obligation would incur no benefits.

Figure A.18. Overview of reported costs and benefits on an obligation on sellers to carry out repairs requested by the consumer under the legal guarantee within a specified time period.

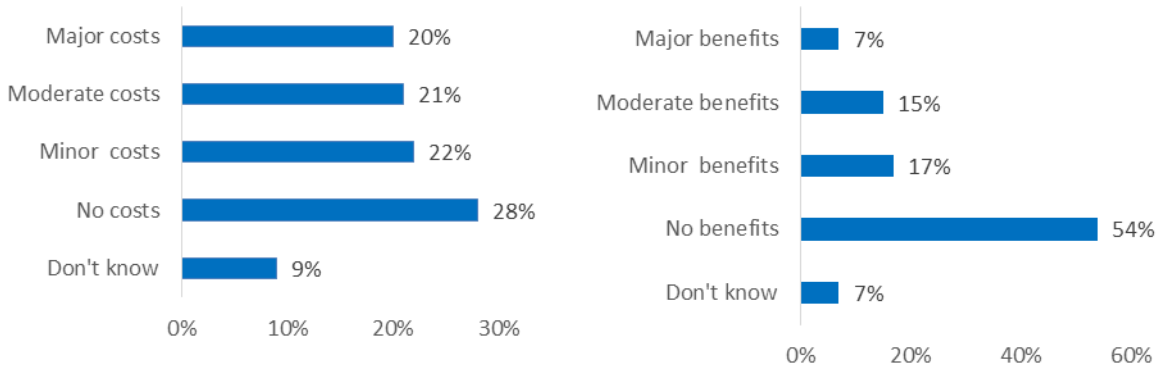


Table A.23. Overview of reported costs and benefits on an obligation on sellers to carry out repairs requested by the consumer under the legal guarantee within a specified time period

Costs	Major costs	Moderate costs	Minor costs	No costs	Don't know	Base Size
All Countries	20%	21%	22%	28%	9%	375
Austria	18%	32%	14%	36%	0%	28
Bulgaria	19%	16%	13%	26%	26%	31
Finland	15%	15%	37%	33%	0%	27
France	24%	19%	5%	38%	14%	21
Germany	20%	24%	24%	28%	4%	25
Greece	42%	15%	15%	27%	0%	26
Hungary	8%	8%	31%	46%	8%	26
Luxembourg	18%	18%	24%	41%	0%	17
Netherlands	0%	36%	12%	28%	24%	25
Poland	36%	7%	7%	25%	25%	28
Portugal	35%	16%	16%	23%	10%	31
Romania	21%	25%	32%	21%	0%	28
Spain	12%	31%	42%	8%	8%	26
Sweden	8%	36%	28%	28%	0%	25
UK	9%	18%	45%	18%	9%	11

Benefits	Major benefits	Moderate benefits	Minor benefits	No benefits	Don't know	Base size
All Countries	7%	15%	17%	54%	7%	375
Austria	0%	11%	18%	68%	4%	28
Bulgaria	10%	3%	6%	58%	23%	31
Finland	0%	19%	15%	63%	4%	27
France	0%	19%	10%	62%	10%	21
Germany	16%	24%	4%	52%	4%	25
Greece	12%	12%	19%	58%	0%	26
Hungary	12%	8%	23%	58%	0%	26
Luxembourg	0%	24%	18%	59%	0%	17
Netherlands	8%	32%	16%	24%	20%	25
Poland	0%	25%	18%	36%	21%	28
Portugal	16%	13%	3%	65%	3%	31
Romania	14%	18%	21%	43%	4%	28
Spain	0%	0%	35%	62%	4%	26
Sweden	4%	20%	32%	44%	0%	25
UK	0%	0%	36%	55%	9%	11

Q20. Uniform consumer right in all EU countries to terminate the contract and get a refund if the repair is not carried out within a specified period of time?

Question asked to respondents in all Member States. Response base= 375

Twenty-eight per cent of respondents stated that a uniform consumer right to terminate the contract and get a refund would generate major costs and 27% said it would generate minor costs. However, opinion appears divided as roughly a quarter (24%) felt this would incur no costs. In Poland, 57% of respondents thought this would generate major costs whereas in the UK only 9% of respondents responded in this way. Sixty-one per cent of respondents thought that giving consumers this right would give no benefits to the retailer.

Figure A.19. Overview of reported costs and benefits on a uniform consumer right in all EU countries to terminate the contract and get a refund.

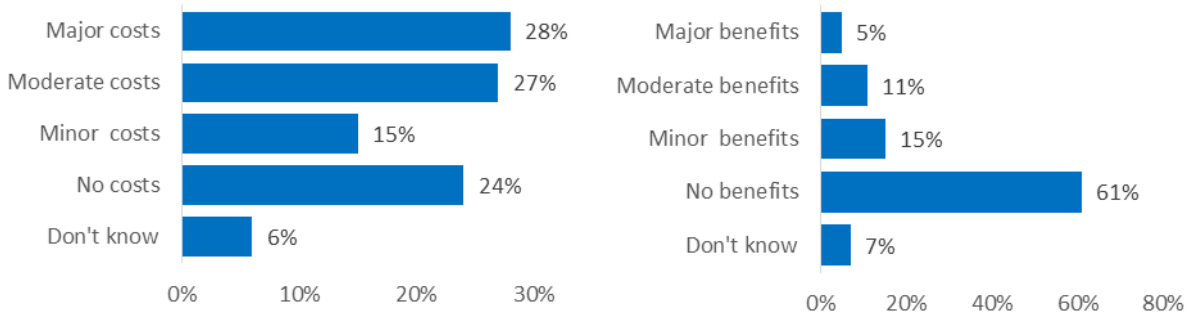


Table A.24. Overview of reported costs and benefits on a uniform consumer right in all EU countries to terminate the contract and get a refund

Costs	Major costs	Moderate costs	Minor costs	No costs	Don't know	Base Size
All Countries	28%	27%	15%	24%	6%	375
Austria	29%	32%	11%	25%	4%	28
Bulgaria	19%	32%	13%	16%	19%	31
Finland	11%	26%	19%	41%	4%	27
France	33%	19%	0%	33%	14%	21
Germany	40%	16%	20%	20%	4%	25
Greece	42%	15%	19%	23%	0%	26
Hungary	19%	27%	27%	27%	0%	26
Luxembourg	29%	18%	18%	35%	0%	17
Netherlands	28%	28%	0%	28%	16%	25
Poland	57%	11%	4%	11%	18%	28
Portugal	26%	26%	3%	42%	3%	31

Romania	36%	39%	18%	7%	0%	28
Spain	15%	58%	8%	15%	4%	26
Sweden	12%	32%	40%	16%	0%	25
UK	9%	9%	45%	27%	9%	11
Benefits	**Major benefits**	**Moderate benefits**	**Minor benefits**	**No benefits**	**Don't know**	**Base size**
All Countries	5%	11%	15%	61%	7%	375
Austria	0%	14%	14%	68%	4%	28
Bulgaria	3%	3%	3%	71%	19%	31
Finland	4%	4%	11%	81%	0%	27
France	5%	19%	5%	52%	19%	21
Germany	8%	12%	12%	60%	8%	25
Greece	8%	4%	27%	62%	0%	26
Hungary	4%	12%	12%	73%	0%	26
Luxembourg	6%	12%	18%	65%	0%	17
Netherlands	4%	24%	8%	44%	20%	25
Poland	0%	7%	21%	54%	18%	28
Portugal	13%	10%	3%	68%	6%	31
Romania	4%	32%	18%	43%	4%	28
Spain	0%	4%	23%	69%	4%	26
Sweden	8%	12%	32%	48%	0%	25
UK	0%	0%	45%	45%	9%	11

Q21. You indicated that a change in legislation would have an impact on the costs of your company. Can you please elaborate? How would the legislative change impact the costs of your company? Which costs would change?

Question asked to respondents in all Member States. Response base= 329

The number of respondents who provided a written response to the above question is outlined in Table A.25.

Table A.25. Overview of responses to open question 21

	All	AT	BG	DE	EL	ES	FI	FR	HU	LU	NL	PL	PT	RO	SE	UK
Count	329	22	26	23	18	25	23	18	23	15	22	25	27	28	25	9

Most retailers recognised that a change in legislation would entail costs for their business. Costs would mainly accrue from an increase in the number of requests for repairs or replacement products. As such, the shared view was that the increase in after-sales services would require businesses to take on additional staff or increase working time to deal with these requests.

Other costs commonly reported were: (1) administrative costs (e.g. telephone expenses from increased correspondence with manufacturers, record-keeping), (2) shipping/transport/delivery costs, (3) storage costs (as a result of retailers having to stock more goods and meet unexpected demand for new or replacement products), and (4) raw material/spare parts-related costs.

Some retailers also envisaged substantial costs (e.g. legal fees, consulting fees) arising from disputes and court action. There were concerns that consumers may misuse guarantees/warranties in order to obtain new products, over the long term, for every purchase.

In spite of the costs entailed by a legislative change, many retailers perceive an increase in the quality of consumer products. As such, it is expected that manufacturers will seek to improve the functionality and durability of their products in order to limit the number of requests for repairs or replacement. While this will prove beneficial to consumers, there are concerns that the increase in quality will push prices up.

Selected findings (verbatim responses)

Notable costs likely to be incurred by retailers

"In the fashion sector, it would be impossible. We would have more cases of complaints. This would result in us having more products in stock which you would not be able to sell anymore. Basically, you can't determine a guarantee period for clothing" (Retailer, Austria).

"[...] a change in legislation would imply an increase of the expenses related to the wages and the hiring of people, who would repair the products […]" (Retailer, Romania).

"You need additional staff to manage all this. I estimate an additional cost of about €30,000 euros to my business each year" (Retailer, France).

"If customers wait too long that can cause further faults and multiply the costs" (Retailer, Sweden).

Costs associated with disputes/court action

"[...]. By placing all kinds of [...] rights with the customer, too much power goes to one particular party. [...]" (Retailer, Netherlands).

"Everything would come down to litigation. Instead of working and bringing profits, the company would be in court all the time. Lengthy proceedings and potentially bad judicial decisions would make running a business in this industry virtually impossible" (Retailer, Poland).

Anticipated increase in prices

"Manufacturers will aim to offer better quality. The products will become increasingly expensive [...]" (Retailer, Germany).

Q22. Are there any of the mentioned legislative changes that you would in particular favour or disfavour? Why?

Question asked to respondents in all Member States. Response base= 344

The number of respondents who provided a verbatim response to the above question is outlined in Table A.26.

Table A.26. Overview of responses to open question 22: Are there any of the mentioned legislative changes that you would in particular favour or disfavour? Why?

	All	AT	BG	DE	EL	ES	FI	FR	HU	LU	NL	PL	PT	RO	SE	UK
Count	344	27	30	23	18	26	25	14	25	14	25	28	31	28	21	9

Retailers held mixed views as regards the proposed changes. Many retailers felt that some changes would be beneficial, though others would present significant costs to businesses.

Many retailers welcomed the proposition to harmonise rules across EU Member States. The general view was that this would simplify cross-border trade and reduce conflict.

Conversely, retailers commonly opposed the proposed extension of the legal guarantee period, the reversal of burden of proof and, in a few cases, the requirement to provide information to consumers as regards the availability of spare parts. The main concern was that there is likely to be a misuse of these legislative provisions by consumers which would eventually impose an undue burden, in terms of time and money, on retailers and manufacturers. Retailers also generally felt that these changes disproportionately favoured consumers but offered little or no protection to retailers /manufacturers.

Selected findings (verbatim responses)

Positive views on the proposed changes

"I'm in favour of extending the warranty period for up to 3 years. [...]. But one condition must be fulfilled: the rules must be standardised throughout the European Union: the dealer must have all the costs of repairs covered within 2 months instead of waiting for 5 months for money from the manufacture" (Retailer, Poland).

Negative views on the proposed changes

"Most of the proposals, at least the ones where the warranty period would be longer than the current one, would only incur additional costs to the company and not a lot of benefits. The fact that the consumer could ask for a refund (either as soon as finding the fault, after the first repair, or after a certain period of time) would only be fair only if the cost would go to the importer and not to the seller. Otherwise, all options would be unfair to the company" (Retailer, Finland).

"I would reject the changes. Longer guarantee periods would cause us more costs" (Retailer, Germany).

"Increasing the guarantee period would be disadvantageous to us, the defect within 1-2 months of the products sold by us is usually not a manufacturing fault. Many people bring back products with a defect caused by using them. If the guarantee period is to be 3 or 5 years, there would be even more such cases" (Retailer, Hungary).

Annex 4 Business interviews questionnaire[157]

A.4.1 Screening questions

[ASK ALL]

S1. Does your company sell directly to consumers?

[ONE ANSWER ONLY]

1. Yes
2. No [STOP SURVEY]

[ASK ALL]

S2. Which of the following do you sell to consumers?

[READ OUT, MULTIPLE ANSWERS POSSIBLE]

1. Food products
3. Non-food products
4. Services

[IF S2 NOT EQUAL TO 2, STOP SURVEY]

[ASK ALL]

S3. What exactly is your position in the company?

[DO NOT READ OUT, ONE ANSWER ONLY]

1. General manager
5. Commercial/Sales manager
6. Marketing manager
7. Other

[ASK IF S3=4]

S4. Do you have a decision making responsibility within your company?

[ONE ANSWER ONLY]

1. Yes
8. No

[ASK IF S4=2]

S4a. I am very sorry but for this study we may only interview respondents that have decision making responsibilities. Can you please let me know what is the name of the commercial manager, sales manager or marketing manager?

[INTERVIEWER: WRITE DOWN THE NAME AND PHONE NUMBER OF THE REFERRAL]

[157] A questionnaire was developed for the business interviews that included a number of screening questions, and 37 main questions. For the purposes of this report 22 main questions of this questionnaire have been used and are presented sequentially. The Study on the costs and benefits of minimum harmonisation under the Consumer Sales and Guarantees Directive 1999/44/EC and of potential full harmonisation and alignment of EU rules for different sales channels) equally uses a number of questions from the questionnaire, also ranked sequentially.

[IF REFERRAL POSSIBLE START WITH S3 AGAIN; IF NO REFERRAL POSSIBLE, STOP SURVEY]

A.4.2 Part 1: About the company (demographics)

D1. Is your company….?

[READ OUT, ONE ANSWER ONLY]

1. An independent retailer
9. A retail group
10. A group of companies active in retail and other activities

[READ IF D1=2]

Please answer the remaining questions in this survey for the entire group.

[READ IF D1=3]

Please answer the remaining questions in this survey for the group's retail operations only.

[ASK ALL]

D2. How many people does your [company (if D1=1)/group (if D1=2 or 3)] currently employ?

[ONE ANSWER ONLY]

[INTERVIEWER: CODE RESPONSE USING LIST. IF RESPONDENT CANNOT GIVE EXACT VALUE, READ OUT RESPONSE CATEGORIES]

1. No employees (self-employed)
11. 1 to 9 employees
12. 10 to 49 employees
13. 50 to 249 employees
14. 250 to 4999 employees
15. 5000 employees or more
16. Don't know

[ASK ALL]

D3. What was your [company's (if D1=1)/group's (if D1=2 or 3)] turnover in 2015?

[ONE ANSWER ONLY]

[INTERVIEWER: CODE RESPONSE USING LIST. IF RESPONDENT CANNOT GIVE EXACT VALUE, READ OUT RESPONSE CATEGORIES]

[SCALE IN LOCAL CURRENCY]

[IF D2=1, 2, 3, 4 o 9]

1. Less than 100,000 euros
2. 100,000 to 500,000 euros
3. 500,000 to 2 million euros
4. 2 to 10 million euros
5. 10 to 50 million euros
6. More than 50 million euros
9. Don't know

[IF D2=5 or 6]

1. Less than 10 million euros
2. 10-50 million euros
3. 50-100 million euros
4. 100-150 million euros
5. 150-200 million euros
6. 200-250 million euros
7. Over 250 million euros
9. Don't know

[ASK ALL]

D4. Which of the following products does your [company (if D1=1)/group (if D1=2 or 3)] currently sell directly to consumers?

[INTERVIEWER: CODE RESPONSE USING LIST. MULTIPLE ANSWERS POSSIBLE]

1. Clothing, footwear and accessories
2. Beauty, health and wellness
3. Entertainment - books, magazines, Vinyl, CDs/ DVDs (movies, music, games)
4. Sports and outdoors
5. Toys
6. Electronic/ digital goods (cameras, laptops, gaming consoles, mobile phones, tablets etc.)
7. Small household appliances (e.g. toasters, kettles, etc.)
8. Large household appliances (e.g. dish washers, washing machines, etc.)
9. Furniture, furnishings and decoration (including do-it-yourself goods and maintenance products)
10. Cars, motorbikes, bikes or parts
11. Other products, please specify:_____

[ASK ALL]

D5. Which of the following channels does your [company (if D1=1)/group (if D1=2 or 3)] use to sell directly to consumers?

[READ OUT, MULTIPLE ANSWERS POSSIBLE]

1. Bricks & mortar stores, i.e. physical shops
2. Doorstep-selling (including promotional/sales events at private homes, work places or during excursions)
3. E- commerce, including mobile-commerce
4. Telephone sales
5. Mail order/ catalogue sales via post
6. Other, please specify: _____

D6. Approximately what percentage of your [company's (if D1=1)/group's (if D1=2 or 3)] annual turnover comes from sales to consumers via:

[SCRIPT: DISPLAY ERROR MESSAGE IF SUM OF A-C IS MORE THAN 100%]

[ASK IF D5=1 or 2] **Face-to-face sales channels (through bricks-and mortar shops or doorstep-selling)?**

____% [VALUE BETWEEN 1 and 100] [Don't know=999]

[ASK IF D5=3, 4 or 5] **Distance sales channels (e-commerce, telephone sales, mail order/catalogue sales via post)?**

____% [VALUE BETWEEN 1 and 100] [Don't know=999]

[ASK IF D5=6] **Other sales channels?**

____% [VALUE BETWEEN 1 and 100] [Don't know=999]

A.4.3 Part 2: Sales to consumers based in other EU countries

[ASK ALL]

CROSS-BORDER_Q1. Does your company sell products to consumers in more than one EU-country through face-to-face channels (through subsidiaries, branches and retail outlets in other countries or doorstep selling), or distance sales channels (e-commerce, telephone sales, mail order/ catalogue sales via post)?

[READ OUT, ONE ANSWER ONLY]

[INTERVIEWER: EXPLAIN THAT CROSS-BORDER SALES DO NOT INCLUDE SALES TO CONSUMERS FROM ANOTHER EU COUNTRY WHO COME TO RESPONDENT'S PHYSICAL SHOP(S)]

1. Yes
2. No, we only sell domestically, i.e. in one EU country

[READ OUT IF CROSS-BORDER_Q1=1]

The following questions are about sales to consumers in different (at least two) EU countries. This does <u>not</u> include sales to consumers based outside the EU.

[ASK IF CROSS-BORDER_Q1=1]

CROSS-BORDER_Q2. Which of the following channels do you use for sales to consumers based in different EU countries?

[READ OUT, MULTIPLE ANSWERS ALLOWED]

[SCRIPT: LIST ONLY OPTIONS SELECTED IN D5]

1. Bricks & mortar stores i.e. physical shops
2. Doorstep-selling (including promotional/sales events at private homes, work places or during excursions)
3. E- commerce, including mobile-commerce
4. Telephone sales
5. Mail order/ catalogue sales via post
6. Other
9. Don't know [SPONTANEOUS]

[ASK IF CROSS-BORDER_Q2=1 or 2]

CROSS-BORDER_Q3a. In/to which EU countries do you sell to consumers via face-to-face channels (including through bricks-and mortar shops or doorstep-selling)?

[MULTIPLE ANSWERS ALLOWED]

[INTERVIEWER: PROMPT FOR OWN COUNTRY: ASK IF THEY ALSO SELL FACE-TO-FACE IN OWN COUNTRY]

[SCRIPT: ADD LIST OF EU28 COUNTRIES]

[ASK IF CROSS-BORDER_Q2=3, 4 or 5]

CROSS-BORDER_Q3b. In/to which EU countries do you sell to consumers via distance sales channels (including by way of e-commerce or mail order)?

[MULTIPLE ANSWERS ALLOWED]

[INTERVIEWER: PROMPT FOR OWN COUNTRY: ASK IF THEY ALSO SELL VIA DISTANCE IN OWN COUNTRY]

[SCRIPT: ADD LIST OF EU28 COUNTRIES]

[ASK IF CROSS-BORDER_Q1=1]

CROSS-BORDER_Q4. Approximately what proportion of your [company's (if D1=1)/group's (if D1=2 or 3)] annual turnover comes from sales to consumers based in other EU countries than your own country [IF D1=2 or 3: ADD] **(the EU country where your headquarters are based)?**

[READ OUT, ONE ANSWER ONLY]

1. Less than 5%
2. 5 to 10%
3. 10 to 20%
4. 20 to 50%
5. Over 50%
9. Don't know [SPONTANEOUS]

[ASK IF CROSS-BORDER_Q1=2]

CROSS-BORDER_Q5. What are your company's reasons for not selling to consumers in different EU countries? Please select up to the three most important reasons.

[READ OUT, UP TO THREE ANSWERS ALLOWED]

1. We are not interested in selling cross-border
2. Language / cultural differences
3. Cost of market entry
4. The need to adapt and comply with different consumer protection rules
5. The need to adapt and comply with different tax systems (corporate tax, VAT)
6. Formal requirements e.g. licensing, registration procedures
7. Logistical challenges e.g. delivery costs, identification of appropriate distribution channels
8. Problems in resolving cross-border conflicts, including costs of litigation abroad
9. Problems with cross-border delivery
10. After-sales maintenance abroad
11. Other
99. Don't know [SPONTANEOUS]

A.4.4 Part 3: Legal guarantee

[ASK ALL]

Q1. In case a consumer is not satisfied with a repair /replacement of faulty goods during the legal guarantee period, what action does your company normally take?

[READ OUT, MULTIPLE ANSWER ALLOWED]

1. We insist on one additional attempt to repair or replace the good (even if that may take some time)

2. We insist on more than one additional attempt to repair or replace the good (even if that may take some time)
3. We offer a full refund
4. We offer a partial refund or a price reduction (i.e. less than the original sale price of the product)
5. We offer compensation in credit note or in vouchers
6. Other, please specify:_____
9. Don't know [SPONTANEOUS]

A.4.5 Part 4: Cost of adapting to and complying with different national consumer protection rules across the EU

Q2. In your country or in the countries where you sell consumer goods, the national legislation on consumer remedies for faulty products goes beyond the minimum requirements under EU legislation. Do the following rules on consumer remedies for faulty products result in additional costs for your company or do the benefits prevail?

[INTERVIEWER EXPLAIN: benefits could include improved competitive position, increased customer satisfaction, better quality and durability of products]

[ONE ANSWER PER LINE]

	1. Major costs	2. Moderate costs	3. No costs/benefits prevail	9. Don't know [SPONTANEOUS]
[ASK IN (DE, FR, ES, PT, RO, SE) OR IF (CROSS-BORDER_Q3a=DE, FR, ES, PT, RO, SE, MT, SI) OR (CROSS-BORDER_Q3b= DE, FR, ES, PT, RO, SE, MT, SI)] a. A requirement on manufactures/importers to keep essential spare parts available for sellers during a certain time period				
[ASK IN (FR, ES, SE) OR IF (CROSS-BORDER_Q3a= FR, ES, SE, IT, SI) OR (CROSS-BORDER_Q3b= FR, ES, SE, IT, SI)] b. An obligation on sellers to inform consumers about the time period in which essential spare parts will be available				

A.4.6 Part 5: Commercial guarantees

[ASK ALL]

Q3a. Do any products sold by your company come with a <u>free-of charge manufacturer's</u> guarantee?

[INTERVIEWER STRESS "FREE-OF-CHARGE" AND "MANUFACTURER" (e.g. a guarantee offered by the manufacturer, not by the respondent's company]

[READ OUT, ONE ANSWER ONLY]

1. Yes, all products
2. Yes, but not all products
3. No
4. Don't know [SPONTANEOUS]

[ASK IF Q3a=2 AND D4 MORE THAN ONE RESPONSE SELECTED]

Q3b. Please specify which product categories the manufacturer's guarantee applies.

[READ OUT PRODUCTS, MULTIPLE ANSWERS ALLOWED]

[SCRIPT: LIST OF PRODUCT GROUPS SELECTED IN D4]

[ASK IN AT, BG, FR, DE, EL, HU, LU, PL, PT, RO, ES AND IF Q3=1 or 2]

Q4a. Is the manufacturer's guarantee shorter or longer than the 2-year legal guarantee period?

[ASK IN FI, NL, SE, UK AND IF Q11=1 or 2]

Q4b. Is the manufacturer's guarantee shorter or longer than the legal guarantee period?

[READ OUT, ONE ANSWER ONLY]

1. The manufacturer's guarantee period is shorter than the legal guarantee period for all products
2. The manufacturer's guarantee period is shorter than the legal guarantee period for some products
3. The manufacturer's guarantee period is as long or longer than the legal guarantee period for all products
9. Don't know [SPONTANEOUS]

[ASK IF Q4a=1 or 2 OR Q4b=1 or 2]

Q5. Who ultimately bears the cost of the legal guarantee in case the manufacturer's guarantee is shorter than the legal guarantee?

[READ OUT, ONE ANSWER ONLY]

1. Our company
2. The cost is fully passed back to the manufacturer/ supplier
3. The cost is partially passed back to the manufacturer/ supplier
9. Don't know [SPONTANEOUS]

[ASK IN AT, BG, FR, DE, EL, HU, LU, PL, PT, RO, ES]

Q6a. Does your company offer a free-of-charge commercial guarantee that is longer than the 2-year legal guarantee?

[ASK IN FI, NL, SE, UK]

Q6b. Does your company offer a free-of-charge commercial guarantee that is longer than the legal guarantee period in your country?

[INTERVIEWER: this question is about commercial guarantees offered by the respondent's company itself, and does not include guarantees offered by the manufacturer]

[READ OUT, ONE ANSWER ONLY]

1. Yes, for all products
2. Yes, for some products
3. No
9. Don't know [SPONTANEOUS]

[ASK IF (Q6a=1 or 2 OR Q6b=1 or 2) AND D4 MORE THAN ONE RESPONSE SELECTED]

Q7a. Please indicate for which product categories the free-of-charge commercial guarantee is longer than the legal guarantee.

[READ OUT PODUCTS, MULTIPLE ANSWERS ALLOWED]

[SCRIPT: SHOW LIST OF PRODUCT GROUPS SELECTED IN D4]

[ASK IF Q6a=1 or 2 OR Q6b=1 or 2]

Q7b. Please specify the following details for free-of-charge commercial guarantees offered with the following product categories? If the details differ within product categories, please provide average values.

[NUMERICAL ANSWER. ONE ANSWER PER LINE] [000=DON'T KNOW]

	Duration in years of the free-of-charge commercial guarantee (from the delivery of the product)	Price of the product	Expected lifespan of the product
a. [INSERT RESPONSE SELECTED IN D4]			
b. [INSERT RESPONSE SELECTED IN D4]			
Etc.			

[ASK IF Q6a=1 or 2 OR Q6b=1 or 2]

Q8. Are there any other characteristics you considered as important in order to determine the length of the free-of-charge commercial guarantee?

[OPEN TEXT BOX]

[ASK IF Q6a=1 or 2 OR Q6b=1 or 2]

Q9. Approximately how many times was the free-of-charge commercial guarantee invoked during the last 12 months in cases where the legal guarantee period had expired?

[NUMERICAL ANSWER] [000=DON'T KNOW]

[ASK IF Q6a=1 or 2 OR Q6b=1 or 2]

Q10. What are your company's motivations for providing free-of-charge commercial guarantees that are longer than the legal guarantee?

[READ OUT, ONE ANSWER ONLY]

1. It's standard industry practice for the products concerned
2. To stand out from competition and offer good customer service
3. Other, please specify:_____
9. Don't know [SPONTANEOUS]

A.4.7 Part 6: Potential changes in EU legislation

[ASK ALL]

Q11. Do you think that the goods that you sell last (on average) more than two years (under normal use)?

[ONE ANSWER PER LINE]

	Yes, majority of goods	Yes, some goods	No	Don't know [SPONTANEOUS]
a. [INSERT RESPONSE SELECTED IN D4]				
b. [INSERT RESPONSE SELECTED IN D4]				
Etc.				

[ASK ALL]

Q12. Do you sell goods that come with a statement about their durability/lifespan (including statements in any commercial guarantee or advertising)?

[ONE ANSWER PER LINE]

	Yes, majority of goods	Yes, some goods	No	Don't know [SPONTANEOUS]
a. [INSERT RESPONSE SELECTED IN D4]				
b. [INSERT RESPONSE SELECTED IN D4]				
Etc.				

[READ OUT] I am now going to ask questions about some ideas for changing EU legislation on the sale of consumer goods and legal guarantees.

[ASK ALL]

Q13. In most EU countries, the legal guarantee period is 2 years. In Sweden, the legal guarantee period is 3 years and this period is 5 or 6 years in Ireland and the UK. In Finland and the Netherlands, an unlimited legal guarantee period is applied. What would be the impact on your business, in terms of costs and benefits, of introducing a uniform legal guarantee period of 3 years in all EU countries?

Please consider **all types of costs**, such as the cost to provide remedies, the cost to get legal advice etc. and use the following scale to express your response:

[READ OUT, ONE ANSWER ONLY]

1. Major costs
2. Moderate costs
3. Minor costs
4. No costs
9. Don't know [SPONTANEOUS]

Now please also consider **all types of benefits**, such as increased customer satisfaction, better quality and durability of goods, reduced costs, more market opportunities as all EU countries would have exactly the same rules etc., and use the following scale to express your response:

[READ OUT, ONE ANSWER ONLY]

1. Major benefits
2. Moderate benefits
3. Minor benefits
4. No benefits
9. Don't know [SPONTANEOUS]

[ASK ALL]

Q14. And what would be the impact on your business of introducing a uniform legal guarantee period of 5 years in all EU countries?

In terms of **costs**?

[READ OUT, ONE ANSWER ONLY]

1. Major costs
2. Moderate costs
3. Minor costs
4. No costs
5. Don't know [SPONTANEOUS]

And in terms of **benefits**?

[READ OUT, ONE ANSWER ONLY]

1. Major benefits
2. Moderate benefits
3. Minor benefits
4. No benefits
9. Don't know [SPONTANEOUS]

[ASK ALL]

Q15. In so far as the goods that you sell normally last more than 2 years, what would the impact on your business of introducing for such durable goods a longer legal guarantee period that is linked to their normal expected

durability/lifespan (e.g. for a washing machine the guarantee period could be 10 years)?

In terms of **costs**?

[READ OUT, ONE ANSWER ONLY]

1. Major costs
2. Moderate costs
3. Minor costs
4. No costs
9. Don't know [SPONTANEOUS]

And in terms of **benefits**?

[READ OUT, ONE ANSWER ONLY]

1. Major benefits
2. Moderate benefits
3. Minor benefits
4. No benefits
9. Don't know [SPONTANEOUS]

[ASK ALL]

Q16. And what would the impact on your business of linking the legal guarantee period to the statements made by the manufacturer or seller on the durability/lifespan of the product?

In terms of **costs**?

[READ OUT, ONE ANSWER ONLY]

1. Major costs
2. Moderate costs
3. Minor costs
4. No costs
9. Don't know [SPONTANEOUS]

And in terms of **benefits**?

[READ OUT, ONE ANSWER ONLY]

1. Major benefits
2. Moderate benefits
3. Minor benefits
4. No benefits
9. Don't know [SPONTANEOUS]

[ASK ALL]

Q17. Would you consider it fair if consumers had the opportunity to ask for a full refund:

[ONE ANSWER PER LINE]

	1. Yes	2. No	9. Don't know [SPONTANEOUS]
17a. directly after discovering a defect (at least insofar as it is not a minor defect)?			
17b. if the repair or replacement is not carried out			

within a specified period?			

[ASK IF Q17a=2 or Q17b=2]

Q17c. Why would you consider it unfair if consumers had the opportunity to ask for a full refund?

[OPEN TEXT BOX]

[ASK ALL]

Q18. What would be the impact on your business of a **uniform obligation in all EU countries on manufacturers/ importers to inform the sellers about the time period in which essential spare parts will be available and to provide such spare parts to sellers within a specified time period?**

In terms of **costs**?

[READ OUT, ONE ANSWER ONLY]

1. Major costs
2. Moderate costs
3. Minor costs
4. No costs
9. Don't know [SPONTANEOUS]

And in terms of **benefits**?

[READ OUT, ONE ANSWER ONLY]

1. Major benefits
2. Moderate benefits
3. Minor benefits
4. No benefits
9. Don't know [SPONTANEOUS]

[ASK ALL]

Q19. In relation to the previous question, what would be the impact on your business of a uniform obligation in all EU countries on sellers to carry out repairs requested by the consumer under legal guarantee within a specified time period?

In terms of **costs**?

[READ OUT, ONE ANSWER ONLY]

1. Major costs
2. Moderate costs
3. Minor costs
4. No costs
9. Don't know [SPONTANEOUS]

And in terms of **benefits**?

[READ OUT, ONE ANSWER ONLY]

1. Major benefits
2. Moderate benefits
3. Minor benefits
4. No benefits

9. Don't know [SPONTANEOUS]

[ASK ALL]

Q20. Again, in relation with the two preceding ideas, what would be the impact on your business of a uniform consumer right in all EU countries to terminate the contract and get a refund if the repair is not carried out within a specified period of time?

In terms of **costs**?

[READ OUT, ONE ANSWER ONLY]

1. Major costs
2. Moderate costs
3. Minor costs
4. No costs
9. Don't know [SPONTANEOUS]

And in terms of **benefits**?

[READ OUT, ONE ANSWER ONLY]

1. Major benefits
2. Moderate benefits
3. Minor benefits
4. No benefits
9. Don't know [SPONTANEOUS]

[ASK IF ANY RESPONSE major, moderator or minor costs]

Q21. You indicated that a change in legislation would have an impact on the costs of your company. Can you please elaborate? How would the legislative change impact the costs of your company? Which costs would change? [OPEN-ENDED RESPONSE]

[ASK ALL]

Q22. Are there any of the mentioned legislative changes that you would in particular favour or disfavour? Why?

[OPEN-ENDED RESPONSE]

Annex 5 Background to analysis of commercial guarantees

As part of the assessment of impacts on consumers and businesses of a legal guarantee that extends beyond two years, an analysis was carried out on the use and extent of commercial guarantees. Given that the sale of commercial guarantees is important for the revenue models of some retailers, the commercial guarantees data exercise serves to help explain the extent to which an extension of the legal guarantee impacts this revenue model. The exercise is similar to the price collection exercise of the Consumer Market Study on the functioning of legal and commercial guarantees for consumers in the EU, and seeks to further corroborate these results within the context of this study, as further presented in Section 3.1.1.

A.5.1 Methodology/approach

The analysis of commercial guarantees covered seven Member States (Belgium, France, Germany, Italy, Poland, Spain and the UK) and focused exclusively on the *on-line* offers of selected and typically the largest online only and brick and mortar and online retailers. Commercial guarantees provided for three following categories of products were examined: LED televisions[158], laptops[159] and dishwashers[160]. In addition, within each category of product, the same brands were selected in order to ensure greater consistency across the Member States. When possible, commercial guarantees of identical models of the same product brand were selected for the analysis. Yet, if a given model was available in one retailer/Member State but not in another, specific models of the same brand with the similar price range were selected for the analysis.

Overall, 225 specific webpages of individual products within three products' categories in seven Member States were accessed and initially reviewed. At a second stage, 203 individual offers were subject to closer screening of which 151 offers (52 dishwasher offers, 44 laptop offers, 55 televisions offers) contained sufficient level of information that allowed final in-depth analysis. For those 151 offers following information was possible to extract: (i) price of the product, (ii) length of the commercial guarantees, (iii) cost of the commercial guarantees, (iv) number of available packages of commercial guarantees, (v) type and scope of remedies included in the package as well as some other selected contextual information[161].

It should be noted, however, that the exercise conducted by ICF was of the exploratory nature and findings should be interpreted with caution, also due to often incomplete information on the cost of the commercial guarantees and the type and scope of remedies included in the package. Findings can *not* be seen as representative for the three analysed products' sector, nor for individual brands.

There is some existing body of research that focused, *inter alia*, on the examination of commercial guarantees market and the degree of compliance with existing regulation. The 2015 European Commission *consumer market study on the functioning of legal and commercial guarantees for consumers in the EU*[162] showed that 22% of consumers had bought a commercial guarantee in the past three years, though considerable differences in the propensity to purchase commercial guarantee across the Member States were identified. In terms of the type of available commercial guarantees, 69% of offered (paid) commercial guarantees offered an extended guarantee period, 24% offered

[158] Price range between EUR 500 and EUR 1000

[159] Price range between EUR 300 and EUR 700

[160] Price range between EUR 350 and EUR 1100

[161] For instance, any particular features of the retailer offer such as differentiation of cost of guarantee between type and price of the products, availability of the information about legal guarantee or features suggesting potential infringements of regulation

[162] European Commission, DG Justice and Consumers, Consumer market study on the functioning of legal and commercial guarantees for consumers in the EU (December 2015). Available at: http://ec.europa.eu/consumers/consumer_evidence/market_studies/docs/legalguaranteesfinal_report_en.pdf

additional services (e.g. repair at home) and 30% were insurance-based (e.g. covering accidental damage). As it comes to rationale behind the purchase of the commercial guarantee, 45% of respondents bought a guarantee to have a longer guarantee coverage period, 31% did it to have a 'peace of mind' while 26% indicated that the driver was potentially too high reparation costs. The study provides also extensive evidences on other aspects related to commercial guarantees including determinants of their price or consumers' experience. For instance, a minority (7%) of respondents across the EU28 strongly agreed, and 31% tended to agree, that sellers provided clear, transparent and non-misleading information about commercial guarantees.

In the same vein, 2014 Sweep on Guarantees in the Electronic Goods Sector[163] that looked at 437 websites of electronic goods retailers in the EU 26[164], Norway and Iceland, found that nearly one fifth (19%) contained *misleading presentation of the commercial guarantee* in relation to duration, territorial scope, name and address of the guarantor. 17% of websites did not clearly state that in the description of commercial guarantees that consumer has rights under legal guarantee and that those rights are affected by the commercial guarantee.

Furthermore, the study[165] conducted by European Consumer Centre Network (ECC-Net) in 2014 that comprised 123 online checks conducted in 24 countries between October and November 2014 and in-shop checks found that the products for which commercial warranties had been purchased most often were household products (40.5% of respondents), electronic devices (36.6%) and vehicles (12.5%).[166] In general, the study found that level of information provided with the offer related to commercial guarantees was generally poor (though still better than for legal guarantees). Most common issue was the lack/ insufficient explanation about the provisions of legal guarantee that in turn may affect the willingness to purchase the commercial one (i.e. only in case of 30.4% of inspected products' offers reference to legal guarantee was visibly included in the product description). Other common problems found by the study were limitations in case of geographical coverage of guarantees, limited number/scope of remedies provided under commercial guarantee or considerable exceptions of expense coverage related to repair, spare parts or transportation in cause of faulty product.

There is little readily available information that would allow to draw conclusive remarks about revenue/ profit implications from potential changes in length/scope of legal guarantees.

Service guarantee costs may for instance reflect the expected liability for future repair costs based on estimated failure rates and unit repair costs for the classes of goods sold. Provisions for customer refunds in turn may reflect the expected liability for returns of goods sold based on past experience of rates of return[167]. In general, reviewed selection of financial statements of the home appliances & electronics retailers suggests that the detailed disaggregation of the revenue and costs related to commercial guarantees specifically is not provided. It is difficult to gauge whether prevision of commercial guarantees at the current price level reduces profit, breaks even, or maybe helps to increase the profit margin (and if so, by how much). In terms of accounting standards, however, legal guarantees have been traditionally recognised as liabilities while extended

[163] European Commission, June 2015. 2014 Sweep on Guarantees in the Electronic Goods Sector. Available at: http://ec.europa.eu/consumers/enforcement/sweeps/guarantees/docs/2014_sweep_guarantees_results.pdf

[164] Austria and Poland did not participate

[165] ECC-Net, 2014. Commercial warranties. Are they worth the money? Available at: http://www.europe-consommateurs.eu/fileadmin/user_upload/eu-verbraucher/PDF_Englisch/Reports/Garanties_2014_FINAL.pdf

[166] http://www.europe-consommateurs.eu/fileadmin/user_upload/eu-verbraucher/PDF_Englisch/Reports/Garanties_2014_FINAL.pdf

[167] See for instance, John Lewis Partnership plc, 2015. Annual Report and Accounts 2015/ 20 Provisions. Available at: https://www.johnlewispartnership.co.uk/content/dam/cws/pdfs/financials/annual-reports/john-lewis-partnership-plc-annual-report-2015.pdf

commercial guarantees offered along with the products have been recognised as revenue[168].

A.5.2 Identified approaches and practices related to commercial guarantees

The rationale behind the commercial guarantee is that it is sort of additional service which should upgrade consumers' rights i.e. by offering longer period of protection and/or coverage of situations spanning beyond the legal guarantee. Nonetheless, some retailers tend to advertise the legal guarantee provisions as an additional service, rather than the standard requirement stemming from the legal guarantee provisions i.e.

- 'Quick repair' or 'free cost of labour related to the reparation of the product';
- 'When repair is not feasible, possibility to replace the faulty product by new one'
- Absence of 'legal' in front of 'guarantee' that does seem to decrease the transparency about the existing legal guarantees.

In the same vein, there are cases where:

- The reminders of the legal guarantee are absent;
- Commercial guarantees that seem to replicate statutory rights and add little real value;
- commercial guarantees stipulating that refund/replacement of the faulty product will be 'immediate' only if reported within 14 days from the purchase – offers which seems to fall short even in comparison to legal guarantee;
- Deliberate downplaying/ omitting the information about the coverage of legal guarantees in order to increase the attractiveness of commercial guarantees;
- Names of the guarantees may be misleading for consumers. For instance, although the name of the commercial guarantee is described as an effective '5 years peace of mind', even though in reality the commercial guarantee kicks off only after termination of the legal one that binds over the first 2 years.

It should be noted that the analysis of *commercial* guarantees served to better understand the impacts of changing the *legal* guarantee and that findings in relation to the use (and potential misuse) of commercial guarantees and information about them, are not core to the objectives of this report. These findings have been reported as they are indications of the differences between countries and retailers in offering commercial guarantee, but can in no way be used to generalise for the market of commercial guarantees. This issue cannot be addressed within the scope of this study.

A.5.3 Analysis of paid commercial guarantees

To substantiate the existing evidence obtained from the business survey, the study team conducted additional analysis to examine aspects around commercial guarantees offered to consumers who purchase three type of products. More specifically, the analysis of commercial guarantees covered seven Member States (Belgium, France, Germany, Italy, Poland, Spain and the UK) and focused exclusively on the *on-line* offers of selected and typically the largest online only and brick and mortar and online retailers. Commercial guarantees provided for three following categories of products were examined: LED televisions[169], laptops[170] and dishwashers[171]. Details on this exercise, including methodological approach, timeframe and characteristics of the sample are presented below.

[168] PwC, 2014. In depth. A look at current financial reporting issues. Available at: https://www.pwc.com/us/en/cfodirect/assets/pdf/in-depth/2014-01-revenue-recognition-retail-supplement.pdf

[169] Price range between EUR 500 and EUR 1000

[170] Price range between EUR 300 and EUR 700

[171] Price range between EUR 350 and EUR 1100

The general purpose of the exercise was to collect additional evidences on the potential implications of the extension of the legal guarantees for consumers and retailers/ producers, bearing in mind the availability of the commercial guarantees.

- Irrespective of the product and Member State, the **absolute cost of commercial guarantees is very often a function of the price of the product** where higher price implies the higher cost of the guarantee[172];
- Overall, 151 prices of products and commercial were gathered and matched allowing the derivation of the share of cost of the commercial guarantee to the price of the underlying product (i.e. cost of commercial guarantee EUR 100/ cost of product EUR 700 = 14.2%). In general, the share of cost of guarantee to product price is similar across three analysed products with the highest share for laptops, albeit only marginally (see Table A.27).

Table A.27. Share of cost of guarantee to the price of underlying product

Product	Mean ratio	Min ratio	Max ratio	Standard Deviation
Laptop	**18%**	5%	51%	9%
Televisions	**15%**	2%	26%	7%
Dishwashers	**16%**	2%	32%	8%
ALL	**16%**	2%	34%	8%

Source: ICF calculation based on 151 products' offers where n=44 for laptops, n=55 for TVs and n=52 for dishwashers

Findings were similar to those of the Consumer market study on the functioning of legal and commercial guarantees for consumers in the EU, where products at the lower edge of each price range accounted for 14%, and 21% for the higher edge of the price range. The study also found that for white goods, the difference in the guarantee price relative to the underlying product price was statistically significant in the case of white goods, meaning that cheaper goods had a higher relative price of commercial guarantees. Therefore, leaving aside few exception of the Member States where there are no paid commercial guarantee (i.e. LV, FI, SI), if commercial guarantees represent on average 15-18% of the price, and assuming that those generally increase retailer's profit margin, it is **plausible that extension of legal guarantees could result in higher prices** if retailers sought to compensate for loss profit, in line with estimates provided by business associations in France and Germany, provided in section 3.1.1.

- There is a positive relationship between the level of the ratio and the length of the commercial guarantee. The only exception is '4 years guarantees', though the number of observations is very small for this particular length (see Table A.28). For countries such as Ireland and the United Kingdom, but also Finland and the Netherlands, a commercial guarantee does not in itself appear particularly relevant, as commercial guarantees are offered in those countries.

[172] A few exceptions exist, such as two shops in Belgium where the cost of the commercial guarantee was found to be identical irrespective of the price of the products.

Table A.28. Mean share of commercial guarantee in the product's price versus the length of the commercial guarantee

	1 year	2 year	3 years	4 years	5 years
Mean ratio	**13%**	**14%**	**15%**	**8%**	**22%**

Source: ICF calculation based on 151 products' offers where n=9 for 1 year guarantees, n=26 for 2 years guarantees, n=67 for 3 years guarantees, n=6 for 4 years guarantees, n=43 for 5 years guarantees

Note: In some cases available information on the website does not allow to clearly establish the length of commercial guarantee

- Although there are some exceptions costs of guarantees for different brands of the same type of product are typically very similar or identical, assuming that prices of specific brands are identical/ similar;
- Some retailers offer commercial guarantees only for products above certain price thresholds (i.e. EUR 50 for one large retailer in Belgium);
- The scope of the coverage of commercial guarantees offered by a retailer across different brands but within the same type of product (i.e. laptops) are typically identical. What differs is a cost of guarantee, which again, is very often a function of the price of a product;
- There could be price impacts of a longer legal guarantee that effectively replaces commercial guarantees in some cases and markets;
- The vast majority of all analysed products' offers available on retailers websites (94%) for laptops, dishwashers and TVs also offer paid commercial guarantees;
- Virtually in all analysed cases where commercial guarantee was offered, it was offered for a certain fee and not free of charge;
- It is fairly common that consumers are offered more than one type of commercial guarantee which may differ by length and scope of coverage. Overall, 46% of offers included more than one option in terms of length of the available commercial guarantee;
- *'Repair', 'Replacement'* and *'Accidental damage cover'* appears to be most common type of remedies offered by commercial guarantees;
- Other common remedies include: *'Courtesy replacement product during examination or repair', annual/regular maintenance* and coverage of *'transportation costs'* when product has to be returned;
- There are some type of specific eventualities covered by commercial guarantees that seem to exist only in certain markets (i.e. commercial guarantees comprising insurance against theft and burglary in Poland or commercial guarantees comprising insurance against natural disasters such as tornados, floods and earthquakes in Italy);
- Some retailers do not provide the commercial guarantee at all;
- Commercial guarantees with time coverage longer than 5 years were very uncommon.

A.5.4 Estimating costs of repair

There is little information available on the average cost of repairs, but if the average cost of repair for a consumer for a given product is assumed to lie between EUR 30 and EUR 100, the total revenues (based on the 2012 Ipsos Mori survey and Consumer market study to support the fitness check of the Consumer Law (Lot3)) could be between 15 and 26 billion euros for a repair of an average of EUR 30, and 51 and 88 billion euros for a repair of an average of EUR 100.

This does not take into account that some of these products out of legal guarantee might be covered by (rather widespread) commercial guarantees that could potentially also create important revenues for retailers. Table A.29 summarises these findings on the basis of the two studies quoted above. Any inferences on the basis of this data should be made with the utmost caution in view of the limited availability of data on the economic model of businesses.

For that reason, they should be seen as an approximation of the understanding of these businesses models. It should be noted that commercial guarantees could still create important revenues even under an extended legal guarantee (as is the case in Ireland and the UK, see section 3.1.1.1), although this would imply that certain businesses would need to adapt their economic model to attain such new sources of revenues.

Table A.29. Overview of potential losses of revenues for retailers of white and brown goods for repair of broken products outside the legal guarantee in Member States.

Time after delivery when the consumer requests repair	Share of total products in need of repair	Estimated number of broken products in the sector of white and brown goods across the EU (in millions)	Estimated revenues impacted for retailers across the EU-28 for an average repair price of EUR 30	Estimated share of total products in need of repair (Ipsos Mori -August 2012)[173]	Estimated number of broken products in the sector across the EU (in millions)	Estimated revenues impacted for retailers across the EU-28 for an average repair price of EUR 100
Between two and three years	2%	254	Between 7,6 and 13.1 billion euros	3.45%	438	Between 25.4 and 43.8 billion euros
Between three and five years	1%	127	Between 3.8 and 6.8 billion euros	1.73%	219	Between 12.7 billion euros and 21.9 billion euros
More than five years	1%	127	Between 3.8 and 6.8 billion euros	1.73%	219	Between 12.7 billion euros and 21.9 billion euros
Total	4%	508	Between 15.2 and 26.3 billion euros	6.8%	876	Between 51 and 88 billion euros

Source: ICF elaboration based on data from Eurostat (number of retailers), Consumer market study to support the fitness check of the Consumer Law (Lot3) (share of products needing a repair in certain timeframes), Ipsos-Mori (share of products needing a repair in certain timeframes).

[173] Estimated share based on the same shares as for the GfK data: an estimated 50% of the 6.8% of products would break between two and three years, 1.73% between three and five years and more than five years.

A.5.5 Revenue model based on the sale of commercial guarantees

According to data from Consumer market study on the functioning of legal and commercial guarantees for consumers in the EU[174], with 28% of products sold being covered by a commercial guarantee[175]. On this basis it is estimated for the sector of white and brown goods that for retailers revenues from the sale of commercial guarantees are a very important, when considered from the perspective of the EU-28.

There is no data, however, whether these sold products were covered by a paid-for commercial guarantee or a free-of-charge commercial guarantee. Therefore, out of the 28 products (or 28% of all products) with sold a commercial guarantee, it is considered that half of those products that come with a commercial guarantee were included in the price and half were paid for by the consumer. This means that 14% of products sold have a paid for commercial guarantee. This is considered a reasonable indication of the market of paid commercial guarantees.

Based on the turnover of retailers in the EU involved in selling household goods and information and communication equipment (white and brown goods) and the total number of estimated products sold, a rough average product price of EUR 113 can be derived. The average cost of the commercial guarantee (21% of the price, as indicated above) is therefore nearly EUR 24. This implies that if 14% of all products sold come with a paid commercial guarantee of an average of EUR 24 the total revenue from such commercial guarantees is around EUR 42 billion across the EU-28 for expected brown and white goods sold (about 1% of the annual turnover of the EU retail industry). This is shown in Table A.30. This should be considered of an illustrative example of the potential scale of revenues derived from the sale of commercial guarantees.

Table A.30. Estimated total revenue from commercial guarantees across the EU-28, for retailers for white and brown goods

Member States	Share of products that come with a commercial guarantee	Estimated share of products that come with a paid commercial guarantee	Average cost of a product	Average cost of the commercial guarantee	Estimated total revenue from commercial guarantees across the EU-28
EU-28 total	28%	14%	EUR 113	21% of the price, or EUR 24	EUR 42 billion

Source: ICF elaboration, and Ipsos (consumer survey on estimated share of products with commercial guarantee) and Eurostat (number of retailers and retailers turnover in the sector of white and brown goods).

[174] European Commission, DG Justice and Consumers, Consumer market study on the functioning of legal and commercial guarantees for consumers in the EU (December 2015).

[175] The study covered a limited set of products, and did not apply weighting in terms of most frequently bought products – and "products" needs to be understood as the products for which respondents answered questions.

Annex 6 Additional data tables for business interviews

The tables provided below present more detailed information about the business interviews (see also Annex 3).

Table A.31. Responses base by sector and Member State

	Value	All	AT	BG	FI	FR	DE	EL	HU	LU	NL	PL	PT	RO	ES	SE	UK
Clothing, footwear and accessories	Count	80	5	7	7	6	5	11	5	11	7	3	8	3	2	10	3
	Column N %	21%	18%	23%	26%	29%	20%	42%	19%	65%	28%	11%	26%	11%	8%	40%	27%
Beauty, health and wellness	Count	44	4	7	5	4	2	4	0	0	2	3	3	3	4	5	3
	Column N %	12%	14%	23%	19%	19%	8%	15%	0%	0%	8%	11%	10%	11%	15%	20%	27%
Entertain-ment - books, magazines, Vinyl, CDs/ DVDs (movies, music, games)	Count	28	1	0	1	3	1	1	1	4	7	1	1	2	3	1	4
	Column N %	7%	4%	0%	4%	14%	4%	4%	4%	24%	28%	4%	3%	7%	12%	4%	36%
Sports and outdoors	Count	29	4	2	2	1	0	0	4	3	4	1	1	0	1	5	1
	Column N %	8%	14%	6%	7%	5%	0%	0%	15%	18%	16%	4%	3%	0%	4%	20%	9%
Toys	Count	21	0	3	2	0	2	0	1	2	3	3	2	0	0	1	2
	Column N %	6%	0%	10%	7%	0%	8%	0%	4%	12%	12%	11%	6%	0%	0%	4%	18%
Electronic/ digital goods (cameras, laptops, gaming consoles, mobile phones, tablets etc.)	Count	36	2	1	3	1	4	2	2	1	4	3	4	1	4	1	1
	Column N %	10%	7%	3%	11%	5%	16%	8%	8%	6%	16%	11%	13%	4%	15%	4%	9%
Small household appliances (e.g. toasters, kettles, etc.)	Count	24	2	3	3	0	2	2	3	0	2	2	1	1	3	0	1
	Column N %	6%	7%	10%	11%	0%	8%	8%	12%	0%	8%	7%	3%	4%	12%	0%	9%

	Value	All	AT	BG	FI	FR	DE	EL	HU	LU	NL	PL	PT	RO	ES	SE	UK
Large household appliances (e.g. dish washers, washing machines, etc.)	Count	19	1	0	2	1	2	3	0	0	1	1	2	0	3	2	1
	Column N %	5%	4%	0%	7%	5%	8%	12%	0%	0%	4%	4%	6%	0%	12%	8%	9%
Furniture, furnishings and decoration (including do-it-yourself goods and maintenance products)	Count	60	1	4	8	6	7	8	4	3	8	7	10	10	2	9	5
	Column N %	16%	4%	13%	30%	29%	28%	31%	15%	18%	32%	25%	32%	36%	8%	36%	45%
Cars, motorbikes, bikes or parts	Count	87	7	8	15	2	6	4	9	2	6	8	7	12	5	4	2
	Column N %	23%	25%	26%	56%	10%	24%	15%	35%	12%	24%	29%	23%	43%	19%	16%	18%
Other products	Count	21	0	4	1	1	1	0	1	1	2	1	3	1	1	1	3
	Column N %	6%	0%	13%	4%	5%	4%	0%	4%	6%	8%	4%	10%	4%	4%	4%	27%
Total	***Count***	***375***	***28***	***31***	***27***	***21***	***25***	***26***	***26***	***17***	***25***	***28***	***31***	***28***	***26***	***25***	***11***

Table A.32. Q1. In case a consumer is not satisfied with a repair /replacement of faulty goods during the legal guarantee period, what action does your company normally take?, response by Member State

			All countries	Country														
				AT	BG	FI	FR	DE	EL	HU	LU	NL	PL	PT	RO	ES	SE	UK
MULTIPLE RESPONSE: Q1. In case a consumer is not satisfied with a repair /replacement of faulty goods during the legal guarantee period, what action does your company normally take?	Action dissatisfied consumer: We insist on one additional attempt to repair or replace the good (even if that may take some time)	Count	212	8	21	15	13	14	16	10	11	12	9	22	24	20	14	3
		% of Cases	57%	29%	68%	56%	62%	56%	62%	38%	65%	48%	32%	71%	86%	77%	56%	27%
	Action dissatisfied consumer: We insist on more than one additional attempt to repair or replace the good (even if that may take some time)	Count	127	11	7	15	5	9	13	7	5	8	10	0	5	18	11	3
		% of Cases	34%	39%	23%	56%	24%	36%	50%	27%	29%	32%	36%	0%	18%	69%	44%	27%
	Action dissatisfied consumer: We offer a full refund	Count	155	8	17	10	4	11	8	8	5	11	11	9	20	10	15	8
		% of Cases	41%	29%	55%	37%	19%	44%	31%	31%	29%	44%	39%	29%	71%	38%	60%	73%
	Action dissatisfied consumer: We offer a partial refund or a price reduction (i.e. less than the original sale price of the product)	Count	71	1	2	8	2	4	5	2	3	9	5	0	5	8	13	4
		% of Cases	19%	4%	6%	30%	10%	16%	19%	8%	18%	36%	18%	0%	18%	31%	52%	36%

			All countries	Country														
				AT	BG	FI	FR	DE	EL	HU	LU	NL	PL	PT	RO	ES	SE	UK
	Action dissatisfied consumer: We offer compensation in credit note or in vouchers	Count	70	8	0	3	3	8	5	1	8	8	3	2	2	7	9	3
		% of Cases	19%	29%	0%	11%	14%	32%	19%	4%	47%	32%	11%	6%	7%	27%	36%	27%
	Action dissatisfied consumer: Other, please specify	Count	49	2	1	2	7	0	0	10	2	6	7	7	0	0	2	3
		% of Cases	13%	7%	3%	7%	33%	0%	0%	38%	12%	24%	25%	23%	0%	0%	8%	27%
	Action dissatisfied consumer: Don't know	Count	9	1	1	0	1	0	0	0	0	1	2	1	0	0	2	0
		% of Cases	2%	4%	3%	0%	5%	0%	0%	0%	0%	4%	7%	3%	0%	0%	8%	0%
	Total	**Count**	**375**	**28**	**31**	**27**	**21**	**25**	**26**	**26**	**17**	**25**	**28**	**31**	**28**	**26**	**25**	**11**

Table A.33. Q1. In case a consumer is not satisfied with a repair /replacement of faulty goods during the legal guarantee period, what action does your company normally take?, response by demographic

			All countries	Sales channel			Cross-border sales		Size (Employees)		
				Only face-to-face	Only distance sales	Both	Yes	No	0-9 employees	10-49 employees	50+ employees
MULTIPLE RESPONSE: Q1. In case a consumer is not satisfied with a repair /replacement of faulty goods during the legal guarantee period, what action does your company normally take?	Action dissatisfied consumer: We insist on one additional attempt to repair or replace the good (even if that may take some time)	Count	212	125	13	74	51	161	109	89	14
		% of Cases	57%	56%	65%	57%	52%	58%	59%	58%	37%
	Action dissatisfied consumer: We insist on more than one additional attempt to repair or replace the good (even if that may take some time)	Count	127	73	9	43	31	96	51	58	18
		% of Cases	34%	33%	45%	33%	32%	35%	28%	38%	47%
	Action dissatisfied consumer: We offer a full refund	Count	155	90	12	53	38	117	74	58	23
		% of Cases	41%	41%	60%	41%	39%	42%	40%	38%	61%
	Action dissatisfied consumer: We offer a partial refund or a price reduction (i.e. less than the original sale price of the product)	Count	71	34	6	31	17	54	27	31	13
		% of Cases	19%	15%	30%	24%	17%	19%	15%	20%	34%
	Action dissatisfied consumer: We offer compensation in credit note or in vouchers	Count	70	43	3	24	19	51	33	28	9
		% of Cases	19%	19%	15%	19%	19%	18%	18%	18%	24%

			All countries	Sales channel			Cross-border sales		Size (Employees)		
				Only face-to-face	Only distance sales	Both	Yes	No	0-9 employees	10-49 employees	50+ employees
	Action dissatisfied consumer: Other, please specify	Count	49	33	0	15	13	36	25	19	5
		% of Cases	13%	15%	0%	12%	13%	13%	14%	12%	13%
	Action dissatisfied consumer: Don't know	Count	9	6	0	2	3	6	6	3	0
		% of Cases	2%	3%	0%	2%	3%	2%	3%	2%	0%
	Total	**Count**	**375**	**222**	**20**	**129**	**98**	**277**	**184**	**153**	**38**

Table A.34. Q2. Cost of: A requirement on manufactures/importers to keep essential spare parts available for sellers during a certain time period and Cost of: An obligation on sellers to inform consumers about the time period in which essential spare parts will be available. Response by Member State

			All countries	Country														
				AT	BG	FI	FR	DE	EL	HU	LU	N	PL	PT	RO	ES	SE	UK
Q2a. Cost of: A requirement on manufactures /importers to keep essential spare parts available for sellers during a certain time period	Major costs	Count	12	1	1	1	1	1	0	0	0	0	3	2	0	1	1	0
		Column N %	6%	9%	33%	50%	5%	4%	%	%	%	%	50%	6%	%	4%	4%	%
	Moderate costs	Count	56	3	0	0	4	13	0	1	2	0	1	6	14	5	7	0
		Column N %	28%	27%	%	%	19%	52%	%	33%	20%	%	17%	19%	50%	19%	28%	%
	No costs/benefits prevail	Count	110	7	2	1	13	10	0	2	7	4	2	20	10	16	16	0
		Column N %	55%	64%	67%	50%	62%	40%	%	67%	70%	80%	33%	65%	36%	62%	64%	%
	Don't know	Count	23	0	0	0	3	1	3	0	1	1	0	3	4	4	1	2
		Column N %	11%	%	%	%	14%	4%	100%	%	10%	20%	%	10%	14%	15%	4%	100%
	Total	**Count**	**201**	**11**	**3**	**2**	**21**	**25**	**3**	**3**	**10**	**5**	**6**	**31**	**28**	**26**	**25**	**2**
		Column N %	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**
Q2b. Cost of: An obligation on sellers to inform consumers about the	Major costs	Count	5	1	0	0	0	2	0	0	0	0	0	1	0	1	0	0
		Column N %	4%	20%	%	%	%	33%	%	%	%	%	%	17%	%	4%	%	%
	Moderate costs	Count	15	1	0	0	5	2	0	0	0	0	1	1	0	1	4	0
		Column N	13%	20%	%	%	24%	33%	%	%	%	%	25%	17%	%	4%	16%	%

			All countries	Country														
				AT	BG	FI	FR	DE	EL	HU	LU	N	PL	PT	RO	ES	SE	UK
time period in which essential spare parts will be available		%																
	No costs/benefits prevail	Count	78	3	0	2	13	2	0	1	9	4	1	4	0	20	19	0
		Column N %	69%	60%	%	100%	62%	33%	%	100%	90%	100%	25%	67%	%	77%	76%	%
	Don't know	Count	15	0	0	0	3	0	1	0	1	0	2	0	0	4	2	2
		Column N %	13%	%	%	%	14%	%	100%	%	10%	%	50%	%	%	15%	8%	100%
	Total	**Count**	**113**	**5**	**0**	**2**	**21**	**6**	**1**	**1**	**10**	**4**	**4**	**6**	**0**	**26**	**25**	**2**
		Column N %	**100%**	**100%**	**%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**%**	**100%**	**100%**	**100%**

Table A.35. Q2. Cost of: A requirement on manufactures/importers to keep essential spare parts available for sellers during a certain time period and Cost of: An obligation on sellers to inform consumers about the time period in which essential spare parts will be available. Response by Demographic

			All countries	Sales channel			Cross-border sales		Size (Employees)		
				Only face-to-face	Only distance sales	Both	Yes	No	0-9 employees	10-49 employees	50+ employees
Q2a. Cost of: A requirement on manufactures/importers to keep essential spare parts available for sellers during a certain time period	Major costs	Count	12	8	0	4	8	4	3	7	2
		Column N %	6%	7%	%	5%	10%	3%	3%	8%	11%
	Moderate costs	Count	56	31	3	22	18	38	21	28	7
		Column N %	28%	27%	23%	30%	22%	32%	22%	33%	37%
	No costs/benefits prevail	Count	110	64	10	36	44	66	57	44	9
		Column N %	55%	56%	77%	49%	54%	55%	59%	52%	47%
	Don't know	Count	23	12	-	11	11	12	16	6	1
		Column N %	11%	10%	%	15%	14%	10%	16%	7%	5%
	Total	**Count**	**201**	**115**	**13**	**73**	**81**	**120**	**97**	**85**	**19**
		Column N %	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**
Q2b. Cost of: An obligation on sellers to inform consumers about the time period in which essential spare parts will	Major costs	Count	5	2	1	2	5	0	2	3	0
		Column N %	4%	3%	13%	4%	8%	%	3%	7%	%
	Moderate costs	Count	15	6	0	9	6	9	6	7	2

			All countries	Sales channel			Cross-border sales		Size (Employees)		
				Only face-to-face	Only distance sales	Both	Yes	No	0-9 employees	10-49 employees	50+ employees
be available		Column N %	13%	10%	%	19%	10%	18%	10%	17%	20%
	No costs/benefits prevail	Count	78	42	7	29	44	34	46	25	7
		Column N %	69%	72%	88%	62%	71%	67%	75%	60%	70%
	Don't know	Count	15	8	0	7	7	8	7	7	1
		Column N %	13%	14%	%	15%	11%	16%	11%	17%	10%
	Total	**Count**	**113**	**58**	**8**	**47**	**62**	**51**	**61**	**42**	**10**
		Column N %	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**

Table A.36. Q4b. Is the manufacturers guarantee shorter or longer than the legal guarantee period? Response by Member State

			All countries	Country														
				AT	BG	FI	FR	DE	EL	HU	LU	NL	PL	PT	RO	ES	SE	UK
Q4b. Is the manufacturers guarantee shorter or longer than the legal guarantee period?	The manufacturer's guarantee period is shorter than the legal guarantee period for all products	Count	35	2	6	1	6	0	2	3	2	3	3	1	3	1	2	0
		Column N %	12%	12%	25%	5%	40%	0%	13%	13%	20%	14%	14%	4%	12%	4%	13%	0%
	The manufacturer's guarantee period is shorter than the legal guarantee period for some products	Count	47	2	2	2	2	1	3	7	0	6	3	4	6	2	7	0
		Column N %	17%	12%	8%	10%	13%	6%	19%	29%	0%	29%	14%	16%	23%	9%	47%	0%
	The manufacturer's guarantee period is as long or longer than the legal guarantee period for all	Count	183	12	16	16	6	16	10	10	8	9	15	20	17	19	5	4
		Column N %	65%	71%	67%	76%	40%	94%	63%	42%	80%	43%	68%	80%	65%	83%	33%	57%

			All countries	Country														
				AT	BG	FI	FR	DE	EL	HU	LU	NL	PL	PT	RO	ES	SE	UK
	products																	
	Don't know	Count	18	1	0	2	1	0	1	4	0	3	1	0	0	1	1	3
		Column N %	6%	6%	0%	10%	7%	0%	6%	17%	0%	14%	5%	0%	0%	4%	7%	43%
	Total	**Count**	**283**	**17**	**24**	**21**	**15**	**17**	**16**	**24**	**10**	**21**	**22**	**25**	**26**	**23**	**15**	**7**
		Column N %	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**

Table A.37. Q4b. Is the manufacturers guarantee shorter or longer than the legal guarantee period? Response by Demographic

			All countries	Sales channel			Cross-border sales		Size (Employees)		
				Only face-to-face	Only distance sales	Both	Yes	No	0-9 employees	10-49 employees	50+ employees
Q4b. Is the manufacturers guarantee shorter or longer than the legal guarantee period?	The manufacturer's guarantee period is shorter than the legal guarantee period for all products	Count	35	22	2	11	10	25	16	15	4
		Column N %	12%	13%	13%	11%	14%	12%	12%	13%	13%
	The manufacturer's guarantee period is shorter than the legal guarantee period for some products	Count	47	27	4	16	9	38	27	16	4
		Column N %	17%	16%	27%	16%	13%	18%	20%	14%	13%
	The manufacturer's guarantee period is as long or longer than the legal guarantee period for all products	Count	183	103	8	69	49	134	83	82	18
		Column N %	65%	63%	53%	68%	70%	63%	61%	71%	60%
	Don't know	Count	18	12	1	5	2	16	11	3	4
		Column N %	6%	7%	7%	5%	3%	8%	8%	3%	13%
	Total	**Count**	**283**	**164**	**15**	**101**	**70**	**213**	**137**	**116**	**30**
		Column N %	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**

Table A.38. Q5a. Who ultimately bears the cost of the legal guarantee in case the manufacturers guarantee is shorter than the legal guarantee? Response by Member State

			All countries	Country														
				AT	BG	FI	FR	DE	EL	HU	LU	NL	PL	PT	RO	ES	SE	UK
Q5a. Who ultimately bears the cost of the legal guarantee in case the manufact-urers guarantee is shorter than the legal guarantee?	Our company	Count	37	2	5	0	1	0	2	5	1	2	3	3	4	3	6	0
		Column N %	45%	50%	63%	0%	13%	0%	40%	50%	50%	22%	50%	60%	44%	100%	67%	0%
	The cost is fully passed back to the manufactur er/ supplier	Count	11	0	1	0	2	0	0	3	1	2	1	0	1	0	0	0
		Column N %	13%	0%	13%	0%	25%	0%	0%	30%	50%	22%	17%	0%	11%	0%	0%	0%
	The cost is partially passed back to the manufactur er/ supplier	Count	27	2	2	3	4	1	3	0	0	4	2	1	3	0	2	0
		Column N %	33%	50%	25%	100%	50%	100%	60%	0%	0%	44%	33%	20%	33%	0%	22%	0%
	Don't know	Count	7	0	0	0	1	0	0	2	0	1	0	1	1	0	1	0
		Column N %	9%	0%	0%	0%	13%	0%	0%	20%	0%	11%	0%	20%	11%	0%	11%	0%
	Total	**Count**	**82**	**4**	**8**	**3**	**8**	**1**	**5**	**10**	**2**	**9**	**6**	**5**	**9**	**3**	**9**	**0**
		Column N %	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**0%**

Table A.39. Q5a. Who ultimately bears the cost of the legal guarantee in case the manufacturers guarantee is shorter than the legal guarantee? Response by Demographic

			All countries	Sales channel			Cross-border sales		Size (Employees)		
				Only face-to-face	Only distance sales	Both	Yes	No	0-9 employees	10-49 employees	50+ employees
Q5a. Who ultimately bears the cost of the legal guarantee in case the manufacturers guarantee is shorter than the legal guarantee?	Our company	Count	37	21	4	12	8	29	20	13	4
		Column N %	45%	43%	67%	44%	42%	46%	47%	42%	50%
	The cost is fully passed back to the manufacturer/ supplier	Count	11	8	0	3	5	6	5	5	1
		Column N %	13%	16%	0%	11%	26%	10%	12%	16%	13%
	The cost is partially passed back to the manufacturer/ supplier	Count	27	16	1	10	5	22	13	12	2
		Column N %	33%	33%	17%	37%	26%	35%	30%	39%	25%
	Don't know	Count	7	4	1	2	1	6	5	1	1
		Column N %	9%	8%	17%	7%	5%	10%	12%	3%	13%
	Total	**Count**	**82**	**49**	**6**	**27**	**19**	**63**	**43**	**31**	**8**
		Column N %	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**

Table A.40. Q6. Does your company offer a free-of-charge commercial guarantee that is longer than the legal guarantee period in your country? Response by Member States

	All countries	Country														
		AT	BG	FI	FR	DE	EL	HU	LU	NL	PL	PT	RO	ES	SE	UK

			All countries	Country														
				AT	BG	FI	FR	DE	EL	HU	LU	NL	PL	PT	RO	ES	SE	UK
Q6. Does your company offer a free-of-charge commercial guarantee that is longer than the legal guarantee period in your country?	Yes, for all products	Count	34	2	1	1	1	3	4	2	1	6	4	7	0	0	2	0
		Column N %	9%	7%	3%	4%	5%	12%	15%	8%	6%	24%	14%	23%	0%	0%	8%	0%
	Yes, for some products	Count	66	7	3	3	1	8	2	8	1	7	2	3	5	10	6	0
		Column N %	18%	25%	10%	11%	5%	32%	8%	31%	6%	28%	7%	10%	18%	38%	24%	0%
	No	Count	272	19	27	23	19	14	20	16	15	11	22	21	22	16	17	10
		Column N %	73%	68%	87%	85%	90%	56%	77%	62%	88%	44%	79%	68%	79%	62%	68%	91%
	Don't know	Count	3	0	0	0	0	0	0	0	0	1	0	0	1	0	0	1
		Column N %	1%	0%	0%	0%	0%	0%	0%	0%	0%	4%	0%	0%	4%	0%	0%	9%
	Total	**Count**	**375**	**28**	**31**	**27**	**21**	**25**	**26**	**26**	**17**	**25**	**28**	**31**	**28**	**26**	**25**	**11**
		Column N %	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**

Table A.41. Q6. Does your company offer a free-of-charge commercial guarantee that is longer than the legal guarantee period in your country? Response by Demographic

			All countries	Sales channel			Cross-border sales		Size (Employees)		
				Only face-to-face	Only distance sales	Both	Yes	No	0-9 employees	10-49 employees	50+ employees
Q6. Does your company offer a free-of-charge commercial guarantee that is longer than the legal guarantee period in your country?	Yes, for all products	Count	34	20	2	11	6	28	17	13	4
		Column N %	9%	9%	10%	9%	6%	10%	9%	8%	11%
	Yes, for some products	Count	66	32	4	30	18	48	24	33	9
		Column N %	18%	14%	20%	23%	18%	17%	13%	22%	24%
	No	Count	272	168	14	87	73	199	143	104	25
		Column N %	73%	76%	70%	67%	74%	72%	78%	68%	66%
	Don't know	Count	3	2	0	1	1	2	0	3	0
		Column N %	1%	1%	0%	1%	1%	1%	0%	2%	0%
	Total	**Count**	**375**	**222**	**20**	**129**	**98**	**277**	**184**	**153**	**38**
		Column N %	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**

Table A.42. Q9. Approximately how many times was the free-of-charge commercial guarantee invoked during the last 12 months in cases where the legal guarantee period had expired? Response by Member State

	All countries	Country														
		AT	BG	FI	FR	DE	EL	HU	LU	NL	PL	PT	RO	ES	SE	UK

		All countries	Country														
			AT	BG	FI	FR	DE	EL	HU	LU	NL	PL	PT	RO	ES	SE	UK
Q9. Approximately how many times was the free-of-charge commercial guarantee invoked during the last 12 months in cases where the legal guarantee period had expired?	Mean	36.68	63.33	.00	676.67	3.00	10.18	5.80	4.90	1.00	22.00	4.67	15.63	2.75	7.11	4.13	.
	Median	3.00	3.00	.00	500.00	3.00	5.00	1.00	2.00	1.00	4.00	1.50	2.00	2.00	1.00	3.50	.
	Minimum	0	0	0	30	3	0	0	0	0	0	0	0	0	0	0	.
	Maximum	1500	500	0	1500	3	40	25	25	2	200	20	100	7	50	10	.
	Valid N	90	9	2	3	2	11	5	10	2	11	6	8	4	9	8	0
	Missing	10	0	2	1	0	0	1	0	0	2	0	2	1	1	0	0

Table A.43. Q9. Approximately how many times was the free-of-charge commercial guarantee invoked during the last 12 months in cases where the legal guarantee period had expired? Response by Demographic

		All countries	Sales channel			Cross-border sales		Size (Employees)		
			Only face-to-face	Only distance sales	Both	Yes	No	0-9 employees	10-49 employees	50+ employees
Q9. Approximately how many times was the free-of-charge commercial guarantee invoked during the last 12 months in cases where the legal guarantee period had expired?	Mean	36.68	19.55	2.50	62.21	31.45	38.37	8.36	7.08	224.92
	Median	3.00	2.00	1.00	3.00	3.00	2.50	2.00	3.00	18.50
	Minimum	0	0	0	0	0	0	0	0	0
	Maximum	1500	500	10	1500	500	1500	200	40	1500
	Valid N	90	44	6	39	22	68	39	39	12
	Missing	10	8	0	2	2	8	2	7	1

Table A.44. Q10. What are your company's motivations for providing free-of-charge commercial guarantees that are longer than the legal guarantee? Response by Member State

			All countries	Country														
				AT	BG	FI	FR	DE	EL	HU	LU	NL	PL	PT	RO	ES	SE	UK
Q10. What are your company's motivations for providing free-of-charge commercial guarantees that are longer than the legal guarantee?	It's standard industry practice for the products concerned	Count	23	4	1	1	2	2	2	1	1	0	1	1	1	6	0	0
		Column N %	23%	44%	25%	25%	100%	18%	33%	10%	50%	0%	17%	10%	20%	60%	0%	0%
	To stand out from competition and offer good customer service	Count	56	3	2	3	0	9	4	3	1	10	2	8	3	3	5	0
		Column N %	56%	33%	50%	75%	0%	82%	67%	30%	50%	77%	33%	80%	60%	30%	63%	0%
	Other, please specify	Count	17	2	0	0	0	0	0	5	0	2	3	1	1	1	2	0
		Column N %	17%	22%	0%	0%	0%	0%	0%	50%	0%	15%	50%	10%	20%	10%	25%	0%
	Don't know	Count	4	0	1	0	0	0	0	1	0	1	0	0	0	0	1	0
		Column N %	4%	0%	25%	0%	0%	0%	0%	10%	0%	8%	0%	0%	0%	0%	13%	0%
	Total	**Count**	**100**	**9**	**4**	**4**	**2**	**11**	**6**	**10**	**2**	**13**	**6**	**10**	**5**	**10**	**8**	**0**
		Column N %	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**0%**

Table A.45. Q11. What are your company's motivations for providing free-of-charge commercial guarantees that are longer than the legal guarantee? Response by Demographic

			All countries	Sales channel			Cross-border sales		Size (Employees)		
				Only face-to-face	Only distance sales	Both	Yes	No	0-9 employees	10-49 employees	50+ employees
Q11. What are your company's motivations for providing free-of-charge commercial guarantees that are longer than the legal guarantee?	It's standard industry practice for the products concerned	Count	23	10	1	12	6	17	9	11	3
		Column N %	23%	19%	17%	29%	25%	22%	22%	24%	23%
	To stand out from competition and offer good customer service	Count	56	30	4	21	14	42	23	24	9
		Column N %	56%	58%	67%	51%	58%	55%	56%	52%	69%
	Other, please specify	Count	17	10	1	6	3	14	7	9	1
		Column N %	17%	19%	17%	15%	13%	18%	17%	20%	8%
	Don't know	Count	4	2	0	2	1	3	2	2	0
		Column N %	4%	4%	0%	5%	4%	4%	5%	4%	0%
	Total	**Count**	**100**	**52**	**6**	**41**	**24**	**76**	**41**	**46**	**13**
		Column N %	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**

Table A.46. Q11. With lifespan statement: Response by Member State (no data for this)

Table A.47. Q12. With lifespan statement: Response by Demographic

			All countries	Sales channel			Cross-border sales		Size (Employees)		
				Only face-to-face	Only distance sales	Both	Yes	No	0-9 employees	10-49 employees	50+ employees
Q12. With lifespan statement: Clothing, footwear and accessories	Yes, majority of goods come with a statement	Count	6	4	0	2	1	5	4	0	2
		Column N %	8%	8%	0%	7%	5%	8%	9%	0%	22%
	Yes, some goods come with a statement	Count	12	5	0	7	5	7	7	5	0
		Column N %	15%	10%	0%	25%	25%	12%	15%	21%	0%
	No, none of the goods come with a statement	Count	60	38	3	19	14	46	36	18	6
		Column N %	75%	78%	100%	68%	70%	77%	77%	75%	67%
	[INT: do not read out] Don't know	Count	2	2	0	0	0	2	0	1	1
		Column N %	3%	4%	0%	0%	0%	3%	0%	4%	11%
	Total	**Count**	**80**	**49**	**3**	**28**	**20**	**60**	**47**	**24**	**9**
		Column N %	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**
With lifespan	Yes, majority of	Count	13	8	0	5	3	10	3	7	3

			All countries	Sales channel			Cross-border sales		Size (Employees)		
				Only face-to-face	Only distance sales	Both	Yes	No	0-9 employees	10-49 employees	50+ employees
statement: Beauty, health and wellness	goods come with a statement	Column N %	30%	26%	0%	42%	33%	29%	16%	37%	50%
	Yes, some goods come with a statement	Count	10	7	0	3	3	7	5	5	0
		Column N %	23%	23%	0%	25%	33%	20%	26%	26%	0%
	No, none of the goods come with a statement	Count	18	13	1	4	3	15	10	7	1
		Column N %	41%	42%	100%	33%	33%	43%	53%	37%	17%
	[INT: do not read out] Don't know	Count	3	3	0	0	0	3	1	0	2
		Column N %	6.8%	9.7%	.0%	.0%	.0%	8.6%	5.3%	.0%	33.3%
	Total	**Count**	**44**	**31**	**1**	**12**	**9**	**35**	**19**	**19**	**6**
		Column N %	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**
With lifespan statement: Entertainment - books, magazines,	Yes, majority of goods come with a statement	Count	5	3	0	2	2	3	4	1	0
		Column N %	18%	20%	0%	15%	22%	16%	31%	8%	0%

			All countries	Sales channel			Cross-border sales		Size (Employees)		
				Only face-to-face	Only distance sales	Both	Yes	No	0-9 employees	10-49 employees	50+ employees
Vinyl, CDs/ DVDs (movies, music, games)	Yes, some goods come with a statement	Count	3	0	0	3	1	2	1	2	0
		Column N %	11%	0%	0%	23%	11%	11%	8%	17%	0%
	No, none of the goods come with a statement	Count	19	11	0	8	6	13	8	9	2
		Column N %	68%	73%	0%	62%	67%	68%	62%	75%	67%
	[INT: do not read out] Don't know	Count	1	1	0	0	0	1	0	0	1
		Column N %	4%	7%	0%	0%	0%	5%	0%	0%	33%
	Total	**Count**	**28**	**15**	**0**	**13**	**9**	**19**	**13**	**12**	**3**
		Column N %	**100%**	**100%**	**0%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**
With lifespan statement: Sports and outdoors	Yes, majority of goods come with a statement	Count	3	1	1	1	1	2	1	2	0
		Column N %	10%	6%	100%	9%	11%	10%	7%	14%	0%
	Yes, some goods come with a statement	Count	8	5	0	3	3	5	4	4	0
		Column N	28%	29%	0%	27%	33%	25%	29%	29%	0%

			All countries	Sales channel			Cross-border sales		Size (Employees)		
				Only face-to-face	Only distance sales	Both	Yes	No	0-9 employees	10-49 employees	50+ employees
		%									
	No, none of the goods come with a statement	Count	17	10	0	7	5	12	9	8	0
		Column N %	59%	59%	0%	64%	56%	60%	64%	57%	0%
	[INT: do not read out] Don't know	Count	1	1	0	0	0	1	0	0	1
		Column N %	3%	6%	0%	0%	0%	5%	0%	0%	100%
	Total	**Count**	**29**	**17**	**1**	**11**	**9**	**20**	**14**	**14**	**1**
		Column N %	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**
With lifespan statement: Toys	Yes, majority of goods come with a statement	Count	2	1	0	1	1	1	2	0	0
		Column N %	10%	9%	0%	11%	13%	8%	22%	0%	0%
	Yes, some goods come with a statement	Count	3	1	0	2	1	2	2	1	0
		Column N %	14%	9%	0%	22%	13%	15%	22%	11%	0%
	No, none of the	Count	14	7	1	6	6	8	5	8	1

			All countries	Sales channel			Cross-border sales		Size (Employees)		
				Only face-to-face	Only distance sales	Both	Yes	No	0-9 employees	10-49 employees	50+ employees
	goods come with a statement	Column N %	67%	64%	100%	67%	75%	62%	56%	89%	33%
	[INT: do not read out] Don't know	Count	2	2	0	0	0	2	0	0	2
		Column N %	10%	18%	0%	0%	0%	15%	0%	0%	67%
	Total	**Count**	**21**	**11**	**1**	**9**	**8**	**13**	**9**	**9**	**3**
		Column N %	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**
With lifespan statement: Electronic/ digital goods (cameras, laptops, gaming consoles, mobile phones, tablets etc.)	Yes, majority of goods come with a statement	Count	9	4	1	4	1	8	4	5	0
		Column N %	25%	27%	17%	27%	10%	31%	18%	42%	0%
	Yes, some goods come with a statement	Count	9	5	1	3	1	8	7	2	0
		Column N %	25%	33%	17%	20%	10%	31%	32%	17%	0%
	No, none of the goods come with a statement	Count	14	5	3	6	6	8	9	5	0
		Column N %	39%	33%	50%	40%	60%	31%	41%	42%	0%

			All countries	Sales channel			Cross-border sales		Size (Employees)		
				Only face-to-face	Only distance sales	Both	Yes	No	0-9 employees	10-49 employees	50+ employees
	[INT: do not read out] Don't know	Count	4	1	1	2	2	2	2	0	2
		Column N %	11%	7%	17%	13%	20%	8%	9%	0%	100%
	Total	**Count**	**36**	**15**	**6**	**15**	**10**	**26**	**22**	**12**	**2**
		Column N %	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**
With lifespan statement: Small household appliances (e.g. toasters, kettles, etc.)	Yes, majority of goods come with a statement	Count	7	5	0	2	0	7	3	3	1
		Column N %	29%	33%	0%	25%	0%	39%	30%	30%	25%
	Yes, some goods come with a statement	Count	4	2	1	1	2	2	3	1	0
		Column N %	17%	13%	100%	13%	33%	11%	30%	10%	0%
	No, none of the goods come with a statement	Count	10	7	0	3	4	6	3	6	1
		Column N %	42%	47%	0%	38%	67%	33%	30%	60%	25%
	[INT: do not read out] Don't know	Count	3	1	0	2	0	3	1	0	2
		Column N	13%	7%	0%	25%	0%	17%	10%	0%	50%

			All countries	Sales channel			Cross-border sales		Size (Employees)		
				Only face-to-face	Only distance sales	Both	Yes	No	0-9 employees	10-49 employees	50+ employees
		%									
	Total	**Count**	**24**	**15**	**1**	**8**	**6**	**18**	**10**	**10**	**4**
		Column N %	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**
With lifespan statement: Large household appliances (e.g. dish washers, washing machines, etc.)	Yes, majority of goods come with a statement	Count	11	8	0	3	2	9	5	5	1
		Column N %	58%	62%	0%	50%	50%	60%	56%	63%	50%
	Yes, some goods come with a statement	Count	2	2	0	0	0	2	1	1	0
		Column N %	11%	15%	0%	0%	0%	13%	11%	13%	0%
	No, none of the goods come with a statement	Count	5	3	0	2	2	3	3	2	0
		Column N %	26%	23%	0%	33%	50%	20%	33%	25%	0%
	[INT: do not read out] Don't know	Count	1	0	0	1	0	1	0	0	1
		Column N %	5%	0%	0%	17%	0%	7%	0%	0%	50%
	Total	**Count**	**19**	**13**	**0**	**6**	**4**	**15**	**9**	**8**	**2**

			All countries	Sales channel			Cross-border sales		Size (Employees)		
				Only face-to-face	Only distance sales	Both	Yes	No	0-9 employees	10-49 employees	50+ employees
		Column N %	**100%**	**100%**	**0%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**
With lifespan statement: Furniture, furnishings and decoration (including do-it-yourself goods and maintenance products)	Yes, majority of goods come with a statement	Count	16	8	1	6	5	11	7	7	2
		Column N %	27%	26%	33%	24%	31%	25%	29%	26%	22%
	Yes, some goods come with a statement	Count	21	11	0	10	7	14	8	10	3
		Column N %	35%	35%	0%	40%	44%	32%	33%	37%	33%
	No, none of the goods come with a statement	Count	21	11	2	8	4	17	9	10	2
		Column N %	35.0%	35%	67%	32%	25%	39%	38%	37%	22%
	[INT: do not read out] Don't know	Count	2	1	0	1	0	2	0	0	2
		Column N %	3%	3%	0%	4%	0%	5%	0%	0%	22%
	Total	**Count**	**60**	**31**	**3**	**25**	**16**	**44**	**24**	**27**	**9**
		Column N %	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**

			All countries	Sales channel			Cross-border sales		Size (Employees)		
				Only face-to-face	Only distance sales	Both	Yes	No	0-9 employees	10-49 employees	50+ employees
With lifespan statement: Cars, motorbikes, bikes or parts	Yes, majority of goods come with a statement	Count	30	17	0	13	7	23	9	16	5
		Column N %	34%	35%	0%	34%	33%	35%	33%	36%	33%
	Yes, some goods come with a statement	Count	12	6	0	6	2	10	3	7	2
		Column N %	14%	13%	0%	16%	10%	15%	11%	16%	13%
	No, none of the goods come with a statement	Count	45	25	1	19	12	33	15	22	8
		Column N %	52%	52%	100%	50%	57%	50%	56%	49%	53%
	[INT: do not read out] Don't know	Count	0	0	0	0	0	0	0	0	0
		Column N %	.0%	.0%	.0%	.0%	.0%	.0%	.0%	.0%	.0%
	Total	**Count**	**87**	**48**	**1**	**38**	**21**	**66**	**27**	**45**	**15**
		Column N %	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**
With lifespan statement: Other products	Yes, majority of goods come with a statement	Count	28	17	1	10	9	19	9	17	2
		Column N	25%	25%	14%	31%	26%	25%	17%	35%	22%

			All countries	Sales channel			Cross-border sales		Size (Employees)		
				Only face-to-face	Only distance sales	Both	Yes	No	0-9 employees	10-49 employees	50+ employees
		%									
	Yes, some goods come with a statement	Count	22	13	2	7	8	14	11	9	2
		Column N %	20%	19%	29%	22%	24%	18%	21%	18%	22%
	No, none of the goods come with a statement	Count	54	35	2	15	16	38	27	22	5
		Column N %	49%	51%	29%	47%	47%	50%	52%	45%	56%
	[INT: do not read out] Don't know	Count	6	3	2	0	1	5	5	1	0
		Column N %	5.5%	4%	29%	0%	3%	7%	10%	2%	0%
	Total	**Count**	**110**	**68**	**7**	**32**	**34**	**76**	**52**	**49**	**9**
		Column N %	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**

Table A.48. Q13. Cost and Benefit: Uniform legal guarantee period of 3 years in all EU countries? Response by Member State

	All countries	Country														
		AT	BG	FI	FR	DE	EL	HU	LU	NL	PL	PT	RO	ES	SE	UK

			All countries	Country														
				AT	BG	FI	FR	DE	EL	HU	LU	NL	PL	PT	RO	ES	SE	UK
Q13a. COST: **Uniform legal guarantee period of 3 years** in all EU countries?	Major costs	Count	82	5	7	5	4	11	7	9	1	4	9	7	7	3	3	0
		Column N %	22%	18%	23%	19%	19%	44%	27%	35%	6%	16%	32%	23%	25%	12%	12%	0%
	Moderate costs	Count	74	6	6	5	4	3	6	5	9	4	4	4	9	3	3	3
		Column N %	20%	21%	19%	19%	19%	12%	23%	19%	53%	16%	14%	13%	32%	12%	12%	27%
	Minor costs	Count	69	6	3	6	1	5	4	5	1	6	3	0	5	14	6	4
		Column N %	18%	21%	10%	22%	5%	20%	15%	19%	6%	24%	11%	0%	18%	54%	24%	36%
	No costs	Count	135	11	12	11	12	6	7	7	6	7	8	19	7	5	13	4
		Column N %	36%	39%	39%	41%	57%	24%	27%	27%	35%	28%	29%	61%	25%	19%	52%	36%
	(INT: Do not read out) Don't know	Count	15	0	3	0	0	0	2	0	0	4	4	1	0	1	0	0
		Column N %	4%	0%	10%	0%	0%	0%	8%	0%	0%	16%	14%	3%	0%	4%	0%	0%
	Total	**Count**	**375**	**28**	**31**	**27**	**21**	**25**	**26**	**26**	**17**	**25**	**28**	**31**	**28**	**26**	**25**	**11**
		Column N %	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**

			All countries	Country														
				AT	BG	FI	FR	DE	EL	HU	LU	NL	PL	PT	RO	ES	SE	UK
Q13b. BENEFITS: **Uniform legal guarantee period of 3 years** in all EU countries?	Major benefits	Count	32	0	2	5	0	2	1	1	2	4	2	7	3	0	2	1
		Column N %	9%	0%	6%	19%	0%	8%	4%	4%	12%	16%	7%	23%	11%	0%	8%	9%
	Moderate benefits	Count	64	3	3	3	6	1	5	4	3	4	4	10	7	2	7	2
		Column N %	17%	11%	10%	11%	29%	4%	19%	15%	18%	16%	14%	32%	25%	8%	28%	18%
	Minor benefits	Count	71	3	2	5	2	6	6	5	3	5	7	0	5	13	6	3
		Column N %	19%	11%	6%	19%	10%	24%	23%	19%	18%	20%	25%	0%	18%	50%	24%	27%
	No benefits	Count	196	22	19	14	13	16	14	15	9	11	11	14	13	10	10	5
		Column N %	52%	79%	61%	52%	62%	64%	54%	58%	53%	44%	39%	45%	46%	38%	40%	45%
	(INT: Do not read out) Don't know	Count	12	0	5	0	0	0	0	1	0	1	4	0	0	1	0	0
		Column N %	3%	0%	16%	0%	0%	0%	0%	4%	0%	4%	14%	0%	0%	4%	0%	0%
	Total	**Count**	**375**	**28**	**31**	**27**	**21**	**25**	**26**	**26**	**17**	**25**	**28**	**31**	**28**	**26**	**25**	**11**
		Column N %	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**

Table A.49. Q13. Cost and Benefit: Uniform legal guarantee period of 3 years in all EU countries? Response by Demographic

			All countries	Sales channel			Cross-border sales		Size (Employees)		
				Only face-to-face	Only distance sales	Both	Yes	No	0-9 employees	10-49 employees	50+ employees
Q13a. COST: **Uniform legal guarantee period of 3 years** in all EU countries?	Major costs	Count	82	43	2	36	24	58	30	39	13
		Column N %	22%	19%	10%	28%	24%	21%	16%	25%	34%
	Moderate costs	Count	74	39	2	31	22	52	34	32	8
		Column N %	20%	18%	10%	24%	22%	19%	18%	21%	21%
	Minor costs	Count	69	48	7	14	11	58	39	28	2
		Column N %	18%	22%	35%	11%	11%	21%	21%	18%	5%
	No costs	Count	135	82	7	46	40	95	71	50	14
		Column N %	36%	37%	35%	36%	41%	34%	39%	33%	37%
	(INT: Do not read out) Don't know	Count	15	10	2	2	1	14	10	4	1
		Column N %	4%	5%	10%	2%	1%	5%	5%	3%	3%
	Total	Count	375	222	20	129	98	277	184	153	38
		Column N %	100%	100%	100%	100%	100%	100%	100%	100%	100%
Q13b. BENEFITS: **Uniform legal guarantee period of 3 years** in all EU	Major benefits	Count	32	12	2	17	11	21	14	11	7
		Column N %	9%	5%	10%	13%	11%	8%	8%	7%	18%

			All countries	Sales channel			Cross-border sales		Size (Employees)		
				Only face-to-face	Only distance sales	Both	Yes	No	0-9 employees	10-49 employees	50+ employees
countries?	Moderate benefits	Count	64	38	4	20	14	50	30	30	4
		Column N %	17%	17%	20%	16%	14%	18%	16%	20%	11%
	Minor benefits	Count	71	47	5	19	12	59	39	30	2
		Column N %	19%	21%	25%	15%	12%	21%	21%	20%	5%
	No benefits	Count	196	117	9	70	61	135	94	78	24
		Column N %	52%	53%	45%	54%	62%	49%	51%	51%	63%
	(INT: Do not read out) Don't know	Count	12	8	0	3	0	12	7	4	1
		Column N %	3%	4%	0%	2%	0%	4%	4%	3%	3%
	Total	**Count**	**375**	**222**	**20**	**129**	**98**	**277**	**184**	**153**	**38**
		Column N %	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**

Table A.50. Q14. Cost and Benefit: Uniform legal guarantee period of 3 years in all EU countries? Response by Member State

			All countries	Country														
				AT	BG	FI	FR	DE	EL	HU	LU	NL	PL	PT	RO	ES	SE	UK
Q14a. COST: **Uniform legal guarantee period of 5 years** in all EU countries?	Major costs	Count	139	14	9	9	5	13	11	15	6	9	14	10	11	5	8	0
		Column N %	37%	50%	29%	33%	24%	52%	42%	58%	35%	36%	50%	32%	39%	19%	32%	0%
	Moderate costs	Count	65	3	4	7	4	3	5	2	2	2	2	6	4	11	6	4
		Column N %	17%	11%	13%	26%	19%	12%	19%	8%	12%	8%	7%	19%	14%	42%	24%	36%
	Minor costs	Count	43	1	3	5	0	2	4	3	2	4	1	1	3	6	5	3
		Column N %	11%	4%	10%	19%	0%	8%	15%	12%	12%	16%	4%	3%	11%	23%	20%	27%
	No costs	Count	104	9	12	6	12	7	5	4	7	6	5	14	6	3	5	3
		Column N %	28%	32%	39%	22%	57%	28%	19%	15%	41%	24%	18%	45%	21%	12%	20%	27%
	(INT: Do not read out) Don't know	Count	24	1	3	0	0	0	1	2	0	4	6	0	4	1	1	1
		Column N %	6%	4%	10%	0%	0%	0%	4%	8%	0%	16%	21%	0%	14%	4%	4%	9%
	Total	**Count**	**375**	**28**	**31**	**27**	**21**	**25**	**26**	**26**	**17**	**25**	**28**	**31**	**28**	**26**	**25**	**11**
		Column N %	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**

			All countries	Country														
				AT	BG	FI	FR	DE	EL	HU	LU	NL	PL	PT	RO	ES	SE	UK
Q14b. BENEFITS: **Uniform legal guarantee period of 5 years** in all EU countries?	Major benefits	Count	29	0	1	2	1	4	1	0	1	5	4	6	3	0	1	0
		Column N %	8%	0%	3%	7%	5%	16%	4%	0%	6%	20%	14%	19%	11%	0%	4%	0%
	Moderate benefits	Count	38	3	1	2	4	2	6	3	2	1	1	2	5	0	6	0
		Column N %	10.1%	11%	3%	7%	19%	8%	23%	12%	12%	4%	4%	6%	18%	0%	24%	0%
	Minor benefits	Count	60	2	4	5	1	2	6	1	3	4	7	0	4	14	3	4
		Column N %	16.0%	7%	13%	19%	5%	8%	23%	4%	18%	16%	25%	0%	14%	54%	12%	36%
	No benefits	Count	228	23	22	18	15	17	12	20	11	12	11	23	13	11	14	6
		Column N %	61%	82%	71%	67%	71%	68%	46%	77%	65%	48%	39%	74%	46%	42%	56%	55%
	(INT: Do not read out) Don't know	Count	20	0	3	0	0	0	1	2	0	3	5	0	3	1	1	1
		Column N %	5%	0%	10%	0%	0%	0%	4%	8%	0%	12%	18%	0%	11%	4%	4%	9%
	Total	**Count**	**375**	**28**	**31**	**27**	**21**	**25**	**26**	**26**	**17**	**25**	**28**	**31**	**28**	**26**	**25**	**11**
		Column N %	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**

Table A.51. Q14. Cost and Benefit: Uniform legal guarantee period of 3 years in all EU countries? Response by Demographic

			All countries	Sales channel			Cross-border sales		Size (Employees)		
				Only face-to-face	Only distance sales	Both	Yes	No	0-9 employees	10-49 employees	50+ employees
Q14a. COST: **Uniform legal guarantee period of 5 years** in all EU countries?	Major costs	Count	139	75	5	56	42	97	60	62	17
		Column N %	37%	34%	25%	43%	43%	35%	33%	41%	45%
	Moderate costs	Count	65	38	3	24	12	53	27	25	13
		Column N %	17%	17%	15%	19%	12%	19%	15%	16%	34%
	Minor costs	Count	43	24	3	16	10	33	21	20	2
		Column N %	11%	11%	15%	12%	10%	12%	11%	13%	5%
	No costs	Count	104	70	6	28	31	73	60	39	5
		Column N %	28%	32%	30%	22%	32%	26%	33%	25%	13%
	(INT: Do not read out) Don't know	Count	24	15	3	5	3	21	16	7	1
		Column N %	6%	7%	15%	4%	3%	8%	9%	5%	3%
	Total	Count	375	222	20	129	98	277	184	153	38
		Column N %	100%	100%	100%	100%	100%	100%	100%	100%	100%
Q14b. BENEFITS: **Uniform legal guarantee period of 5**	Major benefits	Count	29	11	2	15	10	19	12	14	3
		Column	8%	5%	10%	12%	10%	7%	7%	9%	8%

			All countries	Sales channel			Cross-border sales		Size (Employees)		
				Only face-to-face	Only distance sales	Both	Yes	No	0-9 employees	10-49 employees	50+ employees
years in all EU countries?		N %									
	Moderate benefits	Count	38	25	2	11	9	29	17	16	5
		Column N %	10%	11%	10%	9%	9%	10%	9%	10%	13%
	Minor benefits	Count	60	39	3	18	12	48	33	21	6
		Column N %	16%	18%	15%	14%	12%	17%	18%	14%	16%
	No benefits	Count	228	138	10	78	64	164	109	96	23
		Column N %	61%	62%	50%	60%	65%	59%	59%	63%	61%
	(INT: Do not read out) Don't know	Count	20	9	3	7	3	17	13	6	1
		Column N %	5%	4%	15%	5%	3%	6%	7%	4%	3%
	Total	**Count**	**375**	**222**	**20**	**129**	**98**	**277**	**184**	**153**	**38**
		Column N %	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**

Table A.52. Q15. Cost and Benefit: Longer legal guarantee period that is linked to their normal expected durability/lifespan for durable goods? Response by Member State

			All countries	Country														
				AT	BG	FI	FR	DE	EI	HU	LU	NL	PL	PT	RO	ES	SE	UK
Q15a. COST: Longer	Major	Count	115	8	10	10	6	15	8	8	7	8	7	8	7	5	6	2

			All countries	Country														
				AT	BG	FI	FR	DE	EI	HU	LU	NL	PL	PT	RO	ES	SE	UK
legal guarantee period that is linked to their normal **expected durability/lifespan for durable goods?**	costs	Column N %	31%	29%	32%	37%	29%	60%	31%	31%	41%	32%	25%	26%	25%	19%	24%	18%
	Moderate costs	Count	69	3	3	3	3	4	4	5	3	2	5	6	7	11	7	3
		Column N %	18%	11%	10%	11%	14%	16%	15%	19%	18%	8%	18%	19%	25%	42%	28%	27%
	Minor costs	Count	56	5	2	6	0	1	7	5	0	5	5	3	4	5	6	2
		Column N %	15%	18%	6%	22%	0%	4%	27%	19%	0%	20%	18%	10%	14%	19%	24%	18%
	No costs	Count	112	11	12	7	12	4	5	6	7	7	7	14	8	4	5	3
		Column N %	30%	39%	39%	26%	57%	16%	19%	23%	41%	28%	25%	45%	29%	15%	20%	27%
	(INT: Do not read out) Don't know	Count	23	1	4	1	0	1	2	2	0	3	4	0	2	1	1	1
		Column N %	6%	4%	13%	4%	0%	4%	8%	8%	0%	12%	14%	0%	7%	4%	4%	9%
	Total	Count	375	28	31	27	21	25	26	26	17	25	28	31	28	26	25	11
		Column N %	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Q15b. BENEFITS: Longer legal guarantee period that is linked to their normal **expected durability/lifespan for durable goods?**	Major benefits	Count	25	0	1	2	3	0	3	1	2	3	3	5	1	0	0	1
		Column N %	7%	0%	3%	7%	14%	0%	12%	4%	12%	12%	11%	16%	4%	0%	0%	9%
	Moderate benefits	Count	45	3	4	2	2	3	2	2	0	3	5	3	9	0	6	1
		Column N %	12%	11%	13%	7%	10%	12%	8%	8%	0%	12%	18%	10%	32%	0%	24%	9%

			All countries	Country														
				AT	BG	FI	FR	DE	EI	HU	LU	NL	PL	PT	RO	ES	SE	UK
	Minor benefits	Count	66	6	3	4	2	3	8	3	2	5	5	2	5	11	4	3
		Column N %	18%	21%	10%	15%	10%	12%	31%	12%	12%	20%	18%	6%	18%	42%	16%	27%
	No benefits	Count	220	18	18	17	14	19	12	18	13	13	11	21	11	14	15	6
		Column N %	59%	64%	58%	63%	67%	76%	46%	69%	76%	52%	39%	68%	39%	54%	60%	55%
	(INT: Do not read out) Don't know	Count	19	1	5	2	0	0	1	2	0	1	4	0	2	1	0	0
		Column N %	5%	4%	16%	7%	0%	0%	4%	8%	0%	4%	14%	0%	7%	4%	0%	0%
	Total	**Count**	**375**	**28**	**31**	**27**	**21**	**25**	**26**	**26**	**17**	**25**	**28**	**31**	**28**	**26**	**25**	**11**
		Column N %	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**

Table A.53. Q15. Cost and Benefit: Longer legal guarantee period that is linked to their normal expected durability/lifespan for durable goods? Response by Demographic

			All countries	Sales channel			Cross-border sales		Size (Employees)		
				Only face-to-face	Only distance sales	Both	Yes	No	0-9 employees	10-49 employees	50+ employees
		Column N %	100%	100%	100%	100%	100%	100%	100%	100%	100%
Q15a. COST: Longer legal guarantee	Major costs	Count	115	58	6	50	30	85	46	49	20
		Column N %	31%	26%	30%	39%	31%	31%	25%	32%	53%

			All countries	Sales channel			Cross-border sales		Size (Employees)		
				Only face-to-face	Only distance sales	Both	Yes	No	0-9 employees	10-49 employees	50+ employees
period that is linked to their normal **expected durability/lifespan for durable goods?**	Moderate costs	Count	69	43	4	22	14	55	26	36	7
		Column N %	18%	19%	20%	17%	14%	20%	14%	24%	18%
	Minor costs	Count	56	37	2	17	14	42	28	25	3
		Column N %	15%	17%	10%	13%	14%	15%	15%	16%	8%
	No costs	Count	112	68	7	37	36	76	66	38	8
		Column N %	30%	31%	35%	29%	37%	27%	36%	25%	21%
	(INT: Do not read out) Don't know	Count	23	16	1	3	4	19	18	5	0
		Column N %	6%	7%	5%	2%	4%	7%	10%	3%	0%
	Total	**Count**	**375**	**222**	**20**	**129**	**98**	**277**	**184**	**153**	**38**
		Column N %	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**
Q15b. BENEFITS: Longer legal guarantee period that is linked to their normal **expected durability/lifespan for durable goods?**	Major benefits	Count	25	12	1	11	12	13	11	13	1
		Column N %	7%	5%	5%	9%	12%	5%	6%	8%	3%
	Moderate benefits	Count	45	27	1	16	9	36	17	23	5
		Column N %	12%	12%	5%	12%	9%	13%	9%	15%	13%
	Minor benefits	Count	66	43	3	20	15	51	33	27	6
		Column N %	18%	19%	15%	16%	15%	18%	18%	18%	16%
	No benefits	Count	220	126	14	80	61	159	111	86	23
		Column N %	59%	57%	70%	62%	62%	57%	60%	56%	61%
	(INT: Do not	Count	19	14	1	2	1	18	12	4	3

			All countries	Sales channel			Cross-border sales		Size (Employees)		
				Only face-to-face	Only distance sales	Both	Yes	No	0-9 employees	10-49 employees	50+ employees
	read out) Don't know	Column N %	5%	6%	5%	2%	1%	6%	7%	3%	8%
	Total	**Count**	**375**	**222**	**20**	**129**	**98**	**277**	**184**	**153**	**38**
		Column N %	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**

Table A.54. Q16. Cost and Benefit: Linking the legal guarantee period to the statements made by the manufacturer or seller on the durability/lifespan of the product? Response by Member State

			All countries	Country														
				AT	BG	FI	FR	DE	EL	HU	LU	NL	PL	PT	RO	ES	SE	UK
Q16a. COST: Linking the legal guarantee period to the **statements made by the manufacturer or seller on the durability/lifespan of the product?**	Major costs	Count	59	4	2	3	6	7	3	1	5	7	9	5	2	2	2	1
		Column N %	16%	14%	6%	11%	29%	28%	12%	4%	29%	28%	32%	16%	7%	8%	8%	9%
	Moderate costs	Count	70	6	4	2	2	3	4	7	5	3	5	2	10	12	4	1
		Column N %	19%	21%	13%	7%	10%	12%	15%	27%	29.4%	12%	18%	7%	36%	46%	16%	9%
	Minor costs	Count	63	6	3	5	0	4	7	6	2	6	2	3	7	4	6	2
		Column N %	17%	21%	10%	19%	0%	16%	27%	23%	12%	24%	7%	10%	25%	15%	24%	18%
	No costs	Count	153	9	14	15	11	11	10	9	5	8	10	21	8	6	11	5
		Column N %	41%	32%	45%	56%	52%	44%	38%	35%	29%	32%	36%	68%	29%	23%	44%	45%
	(INT: Do not read out) Don't know	Count	30	3	8	2	2	0	2	3	0	1	2	0	1	2	2	2
		Column N %	8%	11%	26%	7%	10%	0%	8%	12%	0%	4%	7%	0%	4%	8%	8%	18%
	Total	Count	375	28	31	27	21	25	26	26	17	25	28	31	28	26	25	11
		Column N %	100.0%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Q16b. BENEFITS: Linking the	Major benefits	Count	44	0	1	0	3	7	8	5	1	2	4	6	4	0	3	0
		Column N %	12%	0%	3%	0%	14%	28%	31%	19%	6%	8%	14%	19%	14%	0%	12%	0%

			All countries	Country														
				AT	BG	FI	FR	DE	EL	HU	LU	NL	PL	PT	RO	ES	SE	UK
legal guarantee period to the **statements made by the manufacturer or seller on the durability/lifespan of the product?**	Moderate benefits	Count	66	5	6	5	1	2	2	4	3	6	5	8	9	0	9	1
		Column N %	18%	18%	19%	19%	5%	8%	8%	15%	18%	24%	18%	26%	32%	0%	36%	9%
	Minor benefits	Count	62	3	1	6	1	3	4	4	1	4	7	2	6	11	5	4
		Column N %	17%	11%	3%	22%	5%	12%	15%	15%	6%	16%	25%	6%	21%	42%	20%	36%
	No benefits	Count	174	20	14	14	14	13	11	10	12	11	9	15	8	13	6	4
		Column N %	46%	71%	45%	52%	67%	52%	42%	38%	71%	44%	32%	48%	29%	50%	24%	36%
	(INT: Do not read out) Don't know	Count	29	0	9	2	2	0	1	3	0	2	3	0	1	2	2	2
		Column N %	8%	0%	29%	7%	10%	0%	4%	12%	0%	8%	11%	0%	4%	8%	8%	18%
	Total	**Count**	**375**	**28**	**31**	**27**	**21**	**25**	**26**	**26**	**17**	**25**	**28**	**31**	**28**	**26**	**25**	**11**
		Column N %	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**

Table A.55. Q16. Cost and Benefit: Linking the legal guarantee period to the statements made by the manufacturer or seller on the durability/lifespan of the product? Response by Demographic

			All countries	Sales channel			Cross-border sales		Size (Employees)		
				Only face-to-face	Only distance sales	Both	Yes	No	0-9 employees	10-49 employees	50+ employees
Q16a. COST: Linking the legal guarantee period to the **statements made by the manufacturer or seller on the durability/lifespan of the product?**	Major costs	Count	59	34	3	21	22	37	22	28	9
		Column N %	16%	15%	15%	16%	22%	13%	12%	18%	24%
	Moderate costs	Count	70	35	3	31	24	46	31	29	10
		Column N %	19%	16%	15%	24%	24%	17%	17%	19%	26%
	Minor costs	Count	63	38	6	19	10	53	31	29	3
		Column N %	17%	17%	30%	15%	10%	19%	17%	19%	8%
	No costs	Count	153	93	8	52	37	116	83	56	14
		Column N %	41%	42%	40%	40%	38%	42%	45%	37%	37%
	(INT: Do not read out) Don't know	Count	30	22	0	6	5	25	17	11	2
		Column N %	8%	10%	0%	5%	5%	9%	9%	7%	5%
	Total	**Count**	**375**	**222**	**20**	**129**	**98**	**277**	**184**	**153**	**38**
		Column N %	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**
Q16b. BENEFITS: Linking the legal guarantee period to the **statements made by the manufacturer or seller on the durability/lifespan of the product?**	Major benefits	Count	44	21	6	17	10	34	22	20	2
		Column N %	12%	9%	30%	13%	10%	12%	12%	13%	5%
	Moderate benefits	Count	66	36	0	29	21	45	26	31	9
		Column N %	18%	16%	0%	22%	21%	16%	14%	20%	24%
	Minor benefits	Count	62	37	2	23	15	47	28	29	5
		Column N %	17%	17%	10%	18%	15%	17%	15%	19%	13%

			All countries	Sales channel			Cross-border sales		Size (Employees)		
				Only face-to-face	Only distance sales	Both	Yes	No	0-9 employees	10-49 employees	50+ employees
	No benefits	Count	174	106	11	55	51	123	92	63	19
		Column N %	46%	48%	55%	43%	52%	44%	50%	41%	50%
	(INT: Do not read out) Don't know	Count	29	22	1	5	1	28	16	10	3
		Column N %	8%	10%	5%	4%	1%	10%	9%	7%	8%
	Total	**Count**	**375**	**222**	**20**	**129**	**98**	**277**	**184**	**153**	**38**
		Column N %	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**

Table A.56. Q17a and 17b.Fair refund: Directly after discovering a defect (at least insofar as it is not a minor defect)? If the repair or replacement is not carried out within a specified period? Response by Member State

			All countries	Country														
				AT	BG	FI	FR	DE	EL	HU	LU	NL	PL	PT	RO	ES	SE	UK
Q17a. Fair refund: Directly after discovering a defect (at least insofar as it is not a minor defect)?	Yes	Count	200	11	20	10	8	9	16	17	8	16	13	23	15	16	11	7
		Column N %	53%	39%	65%	37%	38%	36%	62%	65%	47%	64%	46%	74%	54%	62%	44%	64%
	No	Count	157	16	7	16	13	16	9	8	9	6	12	8	12	9	14	2
		Column N %	42%	57%	23%	59%	62%	64%	35%	31%	53%	24%	43%	26%	43%	35%	56%	18%
	Don't know	Count	18	1	4	1	0	0	1	1	0	3	3	0	1	1	0	2
		Column N %	5%	4%	13%	4%	0%	0%	4%	4%	0%	12%	11%	0%	4%	4%	0%	18%
	Total	**Count**	**375**	**28**	**31**	**27**	**21**	**25**	**26**	**26**	**17**	**25**	**28**	**31**	**28**	**26**	**25**	**11**
		Column N %	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**
Q17b. Fair refund: If the repair or replacement is not carried out within a specified period?	Yes	Count	277	22	24	16	14	15	20	17	11	18	16	28	26	22	18	10
		Column N %	74%	79%	77%	59%	67%	60%	77%	65%	65%	72%	57%	90%	93%	85%	72%	91%
	No	Count	80	5	5	9	7	10	4	8	6	5	6	3	2	3	7	0
		Column N %	21%	18%	16%	33%	33%	40%	15%	31%	35%	20%	21%	10%	7%	12%	28%	0%
	Don't	Count	18	1	2	2	0	0	2	1	0	2	6	0	0	1	0	1

			All countries	Country														
				AT	BG	FI	FR	DE	EL	HU	LU	NL	PL	PT	RO	ES	SE	UK
	know	Column N %	5%	4%	6%	7%	0%	0%	8%	4%	0%	8%	21%	0%	0%	4%	0%	9%
	Total	**Count**	**375**	**28**	**31**	**27**	**21**	**25**	**26**	**26**	**17**	**25**	**28**	**31**	**28**	**26**	**25**	**11**
		Column N %	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**

Table A.57. Q17a and 17b.Fair refund: Directly after discovering a defect (at least insofar as it is not a minor defect)? If the repair or replacement is not carried out within a specified period? Response by Demographic

			All countries	Sales channel			Cross-border sales		Size (Employees)		
				Only face-to-face	Only distance sales	Both	Yes	No	0-9 employees	10-49 employees	50+ employees
Q17a. Fair refund: Directly after discovering a defect (at least insofar as it is not a minor defect)?	Yes	Count	200	123	11	65	46	154	109	70	21
		Column N %	53%	55%	55%	50%	47%	56%	59%	46%	55%
	No	Count	157	88	9	58	49	108	63	78	16
		Column N %	42%	40%	45%	45%	50%	39%	34%	51%	42%
	Don't know	Count	18	11	0	6	3	15	12	5	1
		Column N %	5%	5%	0%	5%	3%	5%	7%	3%	3%
	Total	**Count**	**375**	**222**	**20**	**129**	**98**	**277**	**184**	**153**	**38**
		Column N %	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**
Q17b. Fair refund: If the repair or replacement is not carried out within a specified period?	Yes	Count	277	166	15	94	68	209	136	113	28
		Column N %	74%	75%	75%	73%	69%	75%	74%	74%	74%
	No	Count	80	42	5	32	27	53	39	32	9
		Column N %	21%	19%	25%	25%	28%	19%	21%	21%	24%
	Don't know	Count	18	14	0	3	3	15	9	8	1
		Column N %	5%	6%	0%	2%	3%	5%	5%	5%	3%
	Total	**Count**	**375**	**222**	**20**	**129**	**98**	**277**	**184**	**153**	**38**
		Column N %	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**

Table A.58. Q18. Cost and Benefit: Inform the sellers about the time period in which essential spare parts will be available? Response by Member State

			All countries	Country														
				AT	BG	FI	FR	DE	EL	HU	LU	NL	PL	PT	RO	ES	SE	UK
Q18a. COST: **Inform the sellers about the time period in which essential spare parts will be available?**	Major costs	Count	43	6	5	1	5	4	2	0	3	0	7	4	2	1	3	0
		Column N %	11%	21%	16%	4%	24%	16%	8%	0%	18%	0%	25%	13%	7%	4%	12%	0%
	Moderate costs	Count	48	2	3	4	1	2	2	2	4	6	3	3	8	1	6	1
		Column N %	13%	7%	10%	15%	5%	8%	8%	8%	24%	24%	11%	10%	29%	4%	24%	9%
	Minor costs	Count	74	6	1	5	3	4	6	7	4	4	4	3	6	9	7	5
		Column N %	20%	21%	3%	19%	14%	16%	23%	27%	24%	16%	14%	10%	21%	35%	28%	45%
	No costs	Count	174	11	18	16	9	13	12	15	6	12	6	20	11	13	8	4
		Column N %	46%	39%	58%	59%	43%	52%	46%	58%	35%	48%	21%	65%	39%	50%	32%	36%
	Don't know	Count	36	3	4	1	3	2	4	2	0	3	8	1	1	2	1	1
		Column N %	10%	11%	13%	4%	14%	8%	15%	8%	0%	12%	29%	3%	4%	8%	4%	9%
	Total	Count	375	28	31	27	21	25	26	26	17	25	28	31	28	26	25	11
		Column N %	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Q18b. BENEFITS: **Inform the sellers about the**	Major benefits	Count	56	4	2	2	1	6	5	5	6	3	4	9	4	0	5	0
		Column N %	15%	14%	6%	7%	5%	24%	19%	19%	35%	12%	14%	29%	14%	0%	20%	0%
	Moderat	Count	55	3	8	2	3	3	1	6	2	8	2	5	6	2	4	0

			All countries	Country														
				AT	BG	FI	FR	DE	EL	HU	LU	NL	PL	PT	RO	ES	SE	UK
time period in which essential spare parts will be available?	e benefits	Column N %	15%	11%	26%	7%	14%	12%	4%	23%	12%	32%	7%	16%	21%	8%	16%	0%
	Minor benefits	Count	66	4	3	10	3	4	2	5	2	3	7	1	5	5	8	4
		Column N %	18%	14%	10%	37%	14%	16%	8%	19%	12%	12%	25%	3%	18%	19%	32%	36%
	No benefits	Count	164	15	13	11	12	11	15	9	7	8	7	15	12	15	8	6
		Column N %	44%	54%	42%	41%	57%	44%	58%	35%	41%	32%	25%	48%	43%	58%	32%	55%
	Don't know	Count	34	2	5	2	2	1	3	1	0	3	8	1	1	4	0	1
		Column N %	9%	7%	16%	7%	10%	4%	12%	4%	0%	12%	29%	3%	4%	15%	0%	9%
	Total	**Count**	**375**	**28**	**31**	**27**	**21**	**25**	**26**	**26**	**17**	**25**	**28**	**31**	**28**	**26**	**25**	**11**
		Column N %	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**

Table A.59. Q18. Cost and Benefit: Inform the sellers about the time period in which essential spare parts will be available? Response by Demographic

			All countries	Sales channel			Cross-border sales		Size (Employees)		
				Only face-to-face	Only distance sales	Both	Yes	No	0-9 employees	10-49 employees	50+ employees
Q18a. COST: **Inform the sellers about the time period in which essential spare parts will be available?**	Major costs	Count	43	26	0	16	21	22	19	18	6
		Column N %	11%	12%	%	12%	21%	8%	10%	12%	16%
	Moderate costs	Count	48	25	2	20	17	31	16	22	10
		Column N %	13%	11%	10%	16%	17%	11%	9%	14%	26%
	Minor costs	Count	74	48	5	21	12	62	35	31	8
		Column N %	20%	22%	25%	16%	12%	22%	19%	20%	21%
	No costs	Count	174	96	12	65	40	134	95	68	11
		Column N %	46%	43%	60%	50%	41%	48%	52%	44%	29%
	Don't know	Count	36	27	1	7	8	28	19	14	3
		Column N %	10%	12%	5%	5%	8%	10%	10%	9%	8%
	Total	**Count**	**375**	**222**	**20**	**129**	**98**	**277**	**184**	**153**	**38**
		Column N %	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**
Q18b. BENEFITS: **Inform the sellers about the time period in which essential spare parts will be available?**	Major benefits	Count	56	32	4	18	15	41	34	19	3
		Column N %	15%	14%	20%	14%	15%	15%	18%	12%	8%
	Moderate benefits	Count	55	31	4	19	17	38	26	23	6
		Column N %	15%	14%	20%	15%	17%	14%	14%	15%	16%
	Minor benefits	Count	66	38	5	23	16	50	27	34	5
		Column N %	18%	17%	25%	18%	16%	18%	15%	22%	13%

			All countries	Sales channel			Cross-border sales		Size (Employees)		
				Only face-to-face	Only distance sales	Both	Yes	No	0-9 employees	10-49 employees	50+ employees
	No benefits	Count	164	95	7	62	45	119	79	63	22
		Column N %	44%	43%	35%	48%	46%	43%	43%	41%	58%
	Don't know	Count	34	26	0	7	5	29	18	14	2
		Column N %	9%	12%	%	5%	5%	10%	10%	9%	5%
	Total	**Count**	**375**	**222**	**20**	**129**	**98**	**277**	**184**	**153**	**38**
		Column N %	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**

Table A.60. Q19. Cost and Benefit: Carry out repairs requested by the consumer under legal guarantee within a specified time period? Response by Member State

			All countries	Country														
				AT	BG	FI	FR	DE	EL	HU	LU	NL	PL	PT	RO	ES	DE	UK
Q19a. COST: **Carry out repairs requested by the consumer** under legal guarantee within a specified time period?	Major costs	Count	74	5	6	4	5	5	11	2	3	0	10	11	6	3	2	1
		Column N %	20%	18%	19%	15%	24%	20%	42%	8%	18%	0%	36%	35%	21%	12%	8%	9%
	Moderate costs	Count	79	9	5	4	4	6	4	2	3	9	2	5	7	8	9	2
		Column N %	21%	32%	16%	15%	19%	24%	15%	8%	18%	36%	7%	16%	25%	31%	36%	18%
	Minor costs	Count	83	4	4	10	1	6	4	8	4	3	2	5	9	11	7	5
		Column N %	22%	14%	13%	37%	5%	24%	15%	31%	24%	12%	7%	16%	32%	42%	28%	45%
	No costs	Count	106	10	8	9	8	7	7	12	7	7	7	7	6	2	7	2
		Column N %	28%	36%	26%	33%	38%	28%	27%	46%	41%	28%	25%	23%	21%	8%	28%	18%
	Don't know	Count	33	0	8	0	3	1	0	2	0	6	7	3	0	2	0	1
		Column N %	9%	0%	26%	0%	14%	4%	0%	8%	0%	24%	25%	10%	0%	8%	0%	9%
	Total	**Count**	**375**	**28**	**31**	**27**	**21**	**25**	**26**	**26**	**17**	**25**	**28**	**31**	**28**	**26**	**25**	**11**
		Column N %	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**

			All countries	Country														
				AT	BG	FI	FR	DE	EL	HU	LU	NL	PL	PT	RO	ES	DE	UK
Q19b. BENEFITS: **Carry out repairs requested by the consumer** under legal guarantee within a specified time period	Major benefits	Count	25	0	3	0	0	4	3	3	0	2	0	5	4	0	1	0
		Column N %	7%	0%	10%	0%	0%	16%	12%	12%	0%	8%	0%	16%	14%	0%	4%	0%
	Moderate benefits	Count	57	3	1	5	4	6	3	2	4	8	7	4	5	0	5	0
		Column N %	15%	11%	3%	19%	19%	24%	12%	8%	24%	32%	25%	13%	18%	0%	20%	0%
	Minor benefits	Count	65	5	2	4	2	1	5	6	3	4	5	1	6	9	8	4
		Column N %	17%	18%	6%	15%	10%	4%	19%	23%	18%	16%	18%	3%	21%	35%	32%	36%
	No benefits	Count	201	19	18	17	13	13	15	15	10	6	10	20	12	16	11	6
		Column N %	54%	68%	58%	63%	62%	52%	58%	58%	59%	24%	36%	65%	43%	62%	44%	55%
	Don't know	Count	27	1	7	1	2	1	0	0	0	5	6	1	1	1	0	1
		Column N %	7%	4%	23%	4%	10%	4%	0%	0%	0%	20%	21%	3%	4%	4%	0%	9%
	Total	**Count**	**375**	**28**	**31**	**27**	**21**	**25**	**26**	**26**	**17**	**25**	**28**	**31**	**28**	**26**	**25**	**11**
		Column N %	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**

Table A.61. Q19. Cost and Benefit: Carry out repairs requested by the consumer under legal guarantee within a specified time period? Response by Demographic

			All countries	Sales channel			Cross-border sales		Size (Employees)		
				Only face-to-face	Only distance sales	Both	Yes	No	0-9 employees	10-49 employees	50+ employees
Q19a. COST: **Carry out repairs requested by the consumer** under legal guarantee within a specified time period?	Major costs	Count	74	43	3	28	19	55	28	37	9
		Column N %	20%	19%	15%	22%	19%	20%	15%	24%	24%
	Moderate costs	Count	79	45	5	27	25	54	33	36	10
		Column N %	21%	20%	25%	21%	26%	19%	18%	24%	26%
	Minor costs	Count	83	45	7	30	20	63	43	31	9
		Column N %	22%	20%	35%	23%	20%	23%	23%	20%	24%
	No costs	Count	106	66	5	35	28	78	64	34	8
		Column N %	28%	30%	25%	27%	29%	28%	35%	22%	21%
	Don't know	Count	33	23	0	9	6	27	16	15	2
		Column N %	9%	10%	0%	7%	6%	10%	9%	10%	5%
	Total	**Count**	**375**	**222**	**20**	**129**	**98**	**277**	**184**	**153**	**38**
		Column N %	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**
Q19b. BENEFITS: **Carry out repairs requested by the consumer** under legal guarantee within a specified	Major benefits	Count	25	16	3	6	4	21	15	7	3
		Column N %	7%	7%	15%	5%	4%	8%	8%	5%	8%
	Moderate benefits	Count	57	30	4	22	17	40	25	25	7
		Column N	15%	14%	20%	17%	17%	14%	14%	16%	18%

			All countries	Sales channel			Cross-border sales		Size (Employees)		
				Only face-to-face	Only distance sales	Both	Yes	No	0-9 employees	10-49 employees	50+ employees
time period		%									
	Minor benefits	Count	65	34	5	26	19	46	30	31	4
		Column N %	17%	15%	25%	20%	19%	17%	16%	20%	11%
	No benefits	Count	201	122	8	69	54	147	100	78	23
		Column N %	54%	55%	40%	53%	55%	53%	54%	51%	61%
	Don't know	Count	27	20	0	6	4	23	14	12	1
		Column N %	7%	9%	0%	5%	4%	8%	8%	8%	3%
	Total	**Count**	**375**	**222**	**20**	**129**	**98**	**277**	**184**	**153**	**38**
		Column N %	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**

Table A.62. Q20. Cost and Benefit: Uniform consumer right in all EU countries to terminate the contract and get a refund? Response by Member State

			All countries	Country														
				AT	BG	FI	FR	DE	EL	HU	LU	NL	PL	PT	RO	ES	SE	UK
Q20a. COST: Uniform consumer right in all EU countries **to terminate the contract and get a refund?**	Major costs	Count	104	8	6	3	7	10	11	5	5	7	16	8	10	4	3	1
		Column N %	28%	29%	19%	11%	33%	40%	42%	19%	29%	28%	57%	26%	36%	15%	12%	9%
	Moderate costs	Count	101	9	10	7	4	4	4	7	3	7	3	8	11	15	8	1
		Column N %	27%	32%	32%	26%	19%	16%	15%	27%	18%	28%	11%	26%	39%	58%	32%	9%
	Minor costs	Count	56	3	4	5	0	5	5	7	3	0	1	1	5	2	10	5
		Column N %	15%	11%	13%	19%	0%	20%	19%	27%	18%	0%	4%	3%	18%	8%	40%	45%
	No costs	Count	90	7	5	11	7	5	6	7	6	7	3	13	2	4	4	3
		Column N %	24%	25%	16%	41%	33%	20%	23%	27%	35%	28%	11%	42%	7%	15%	16%	27%
	Don't know	Count	24	1	6	1	3	1	0	0	0	4	5	1	0	1	0	1
		Column N %	6%	4%	19%	4%	14%	4%	0%	0%	0%	16%	18%	3%	0%	4%	0%	9%
	Total	**Count**	**375**	**28**	**31**	**27**	**21**	**25**	**26**	**26**	**17**	**25**	**28**	**31**	**28**	**26**	**25**	**11**
		Column N %	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**
Q20b. BENEFITS: Uniform consumer right in all EU countries **to**	Major benefits	Count	17	0	1	1	1	2	2	1	1	1	0	4	1	0	2	0
		Column N %	5%	0%	3%	4%	5%	8%	8%	4%	6%	4%	0%	13%	4%	0%	8%	0%
	Moderate benefits	Count	43	4	1	1	4	3	1	3	2	6	2	3	9	1	3	0
		Column N %	11%	14%	3%	4%	19%	12%	4%	12%	12%	24%	7%	10%	32%	4%	12%	0%
	Minor	Count	58	4	1	3	1	3	7	3	3	2	6	1	5	6	8	5

			All countries	Country														
				AT	BG	FI	FR	DE	EL	HU	LU	NL	PL	PT	RO	ES	SE	UK
terminate the contract and get a refund?	benefits	Column N %	15%	14%	3%	11%	5%	12%	27%	12%	18%	8%	21%	3%	18%	23%	32%	45%
	No benefits	Count	229	19	22	22	11	15	16	19	11	11	15	21	12	18	12	5
		Column N %	61%	68%	71%	81%	52%	60%	62%	73%	65%	44%	54%	68%	43%	69%	48%	45%
	Don't know	Count	28	1	6	0	4	2	0	0	0	5	5	2	1	1	0	1
		Column N %	7%	4%	19%	0%	19%	8%	0%	0%	0%	20%	18%	6%	4%	4%	0%	9%
	Total	**Count**	**375**	**28**	**31**	**27**	**21**	**25**	**26**	**26**	**17**	**25**	**28**	**31**	**28**	**26**	**25**	**11**
		Column N %	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**

Table A.63. Q20. Cost and benefits: Uniform consumer right in all EU countries to terminate the contract and get a refund? Response by Demographic

			All countries	Sales channel			Cross-border sales		Size (Employees)		
				Only face-to-face	Only distance sales	Both	Yes	No	0-9 employees	10-49 employees	50+ employees
Q20a. COST: Uniform consumer right in all EU countries **to terminate the contract and get a refund?**	Major costs	Count	104	62	3	38	31	73	41	50	13
		Column N %	28%	28%	15%	29%	32%	26%	22%	33%	34%
	Moderate costs	Count	101	60	3	37	21	80	41	48	12
		Column N %	27%	27%	15%	29%	21%	29%	22%	31%	32%
	Minor costs	Count	56	28	5	22	17	39	35	17	4
		Column N %	15%	13%	25%	17%	17%	14%	19%	11%	11%
	No costs	Count	90	55	7	28	26	64	55	28	7
		Column N %	24%	25%	35%	22%	27%	23%	30%	18%	18%
	Don't know	Count	24	17	2	4	3	21	12	10	2
		Column N %	6%	8%	10%	3%	3%	8%	7%	7%	5%
	Total	**Count**	**375**	**222**	**20**	**129**	**98**	**277**	**184**	**153**	**38**
		Column N %	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**
Q20b. BENEFITS: Uniform consumer right in all EU countries **to terminate the contract and get a refund?**	Major benefits	Count	17	12	0	5	2	15	8	8	1
		Column N %	5%	5%	0%	4%	2%	5%	4%	5%	3%
	Moderate benefits	Count	43	22	3	17	18	25	16	19	8
		Column N %	11%	10%	15%	13%	18%	9%	9%	12%	21%
	Minor benefits	Count	58	35	3	20	16	42	32	24	2
		Column N %	15%	16%	15%	16%	16%	15%	17%	16%	5%
	No benefits	Count	229	132	12	83	59	170	115	90	24
		Column N %	61%	59%	60%	64%	60%	61%	63%	59%	63%
	Don't know	Count	28	21	2	4	3	25	13	12	3

			All countries	Sales channel			Cross-border sales		Size (Employees)		
				Only face-to-face	Only distance sales	Both	Yes	No	0-9 employees	10-49 employees	50+ employees
		Column N %	7%	9%	10%	3%	3%	9%	7%	8%	8%
	Total	**Count**	**375**	**222**	**20**	**129**	**98**	**277**	**184**	**153**	**38**
		Column N %	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**

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