

DIGIT

CONSUMER RIGHTS

HELLAS FOR US



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PROJECT INFORMATION

PROJECT NAME	DIGIT New didactical tools for initial digital training of low-skilled adults to adapt to the labor market transitions
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KEY SYMBOLS

	Key Concept
	Practical Advice
	Did you know that ... ?
	Further Reading






MODULE TOPICS

01. Topic 1. Contract information
02. Topic 2. Pricing and payments
03. Topic 3. Shipping and delivery
04. Topic 4. Know your rights



MODULE DESCRIPTION

At the end of this module, you will...

-  Have an overview on your rights and obligations while you are providing or receiving good and services in the EU.
-  Understand legal terminology related to consumer rights
-  Understand the difference between shipping and delivery and what to do in case of damaged goods or missing delivery of a product.

Overview of the Module

This module will provide learners with tools to obtain accurate, unbiased information about the products and services they purchase. This enables them to make the best choices based on their interests and prevents them from being mistreated or misled by businesses. Finally, resources are given to the learners to have access to effective redress mechanisms. Through this module, learners will gain awareness of the importance of concepts such as contracts, consumer rights, pricing, shipping and delivery.



TOPIC 1 Consumer Contracts

EU consumer protection rules ensure that when you buy goods and services in the EU you have clear information on the product or service you're buying, its price, shipping and delivery costs as well as on your rights when things go wrong. On 17 December 2021, the Commission adopted a new Commission Notice on the interpretation and application of the Consumer Rights Directive ("the CRD Guidance"), as announced in the New Consumer Agenda.



Figure 1. How the EU aims to boost consumer protection. Source: <https://www.europarl.europa.eu/news/en/headlines/society/20210506STO03603/how-the-eu-aims-to-boost-consumer-protection>

A consumer contract is any contract a trader concludes with a consumer, no matter through which channel (e.g. on the Internet, via telephone or in a shop) and irrespectively of whether it has as its object the supply of goods, services and/or digital content. For instance, a contract concluded online with the consumer for the sale of a book. The Consumer Rights Directive (CRD) distinguishes between "on-premises contracts" (e.g. consumer contracts concluded in a shop),



"distance contracts" (e.g. consumer contracts concluded on the Internet or via telephone) and "off-premises contracts" (e.g. consumer contracts concluded at consumer's home).



The Consumer Rights Directive gives consumers the same strong rights. If you have any doubt on the clarity of your information, ask some person in your vicinity (family, friends, colleagues, etc.) to give you their honest opinion on whether they find it clear, legible and comprehensible.

Distance Contracts are those where there is no simultaneous physical presence of the trader and the consumer at the moment of conclusion of the contract. Typical examples of contracts concluded at a distance include those concluded by mail order, online, telephone or fax. Distance contracts also include situations where the consumer visits the business premises merely to gather information about the goods or services but subsequently negotiates and concludes the contract at a distance. On the contrary, a contract initiated using distance communication (e.g. an email or a phone-call to fix an appointment or make a reservation), but concluded at the business premises of the trader should not be considered a distance contract.

"Off-premises contracts" are those concluded in the simultaneous physical presence of the trader and the consumer, but at a place which is not the trader's business premises. Business premises include the premises in whatever form (e.g. shops, stalls, etc.) which serve as a permanent or usual place of business for the trader. The business premises also include the premises that the trader uses on a seasonal basis (e.g. ice cream shop at the beach during the summer). Typically, contracts negotiated outside of business premises are those concluded at the consumer's home or workplace or during an excursion organised by the trader.



If you have any doubt on the clarity of your information, ask some person in your vicinity (family, friends, colleagues, etc.) to give you their honest opinion on whether they find it clear, legible and comprehensible.

1.1. Pre-contractual information requirements

Pre-contractual information requirements are pieces of information which have been identified by the legislator as important to ensure that the consumer makes an informed choice before concluding a contract. Directive 2011/83/EU lays down a list of pieces of information which a trader needs to disclose to the consumer before the consumer concludes a contract on-premises, off-premises or at a distance. Wherever you buy a product or service in the EU the trader must provide you with **clear, correct and understandable information** about the product or service before you buy.



Pre-contract information for on-premises contracts	Pre-contract information for off-premises contracts	Pre-contract information for distance contracts
Main characteristics of the goods, services or digital content	Main characteristics of the goods, services or digital content	Main characteristics of the goods, services or digital content
Your trading name, geographical address and telephone number	Your trading name	Your trading name
Total price including all taxes	The total price of the goods or services, including all taxes	The total price of the goods or services, including all taxes
All additional delivery charges and arrangements for payment, delivery and time for delivery	Delivery and any other costs, where appropriate	Delivery and any other costs, where appropriate
Your complaints-handling policy	In an indefinite or subscription contract, the total costs per billing period	In an indefinite or subscription contract, the total costs per billing period
Whether there's any after-sales service or guarantee, and their conditions	If the consumer has a right to cancel, the time limit, conditions and procedures for cancelling	If the consumer has a right to cancel, the time limit, conditions and procedures for cancelling
Duration of the contract and how it can be ended if it's indefinite	Duration of the contract, or if the contract is indefinite, the conditions for ending it.	Duration of the contract, or if the contract is indefinite, the conditions for ending it.
A reminder that you're under a duty to supply goods conforming to the contract	-	-
The functionality of digital content and the compatibility of digital content with hardware or software.	-	-



1.2 Consumer contracts exempted from the precontractual information requirements

The pre-contractual information requirements laid down in the Consumer Rights Directive 2011/83/EU do not apply to the following contracts:

- › contracts for social services, such as social care
- › contracts for healthcare services
- › contracts for gambling, including within lotteries, casino games and betting transactions
- › contracts for financial services, such as different consumer credit agreements
- › contracts for the creation, acquisition or transfer of immovable property or of rights in immovable property
- › contracts for the construction of new buildings, the substantial conversion of existing buildings and for rental of accommodation for residential purposes
- › contracts on package travel, package holidays and package tours
- › contracts on timeshare, long-term holiday product, resale and exchange contracts
- › contracts which, following the national laws of Member States, are established by a public office-holder who has a statutory obligation to be independent and impartial and who must ensure, by providing comprehensive legal information, that the consumer only concludes the contract based on careful legal consideration and with knowledge of its legal scope
- › contracts for the supply of foodstuffs, beverages or other goods intended for current consumption in the household, and which are physically supplied by a trader on frequent and regular rounds to the consumer's home, residence or workplace
- › contracts for passenger transport services
- › contracts concluded utilizing automatic vending machines or automated commercial premises
- › contracts concluded with telecommunications operators through public payphones for their use or concluded for the use of one single connection by telephone, Internet or fax established by a consumer.



Pre-contractual information duties exist for many of them under other pieces of EU or national law. When you are searching for the consumer rights in your country you have to take into account national laws that apply in your case.



1.3. How do you have to present pre-contractual and contractual information?

The text providing the required information should always be easy to read and understand for an average consumer. The information provided needs to be given in a clear, legible and comprehensible manner.

What does it mean in practical terms?

The assessment as to whether information has been provided correctly is always to be carried out on a case-by-case basis. Here are however some practical tips to increase your chances of complying:

- › use a font type that is easy to read and of a sufficiently large size (e.g. font size comparable to a 12 Times New Roman font)
- › make sure that letters appear clearly on the background color (e.g. black on white; e.g. not bright yellow on white)
- › put sufficient space between the sentences and the paragraphs
- › draft in a clear language

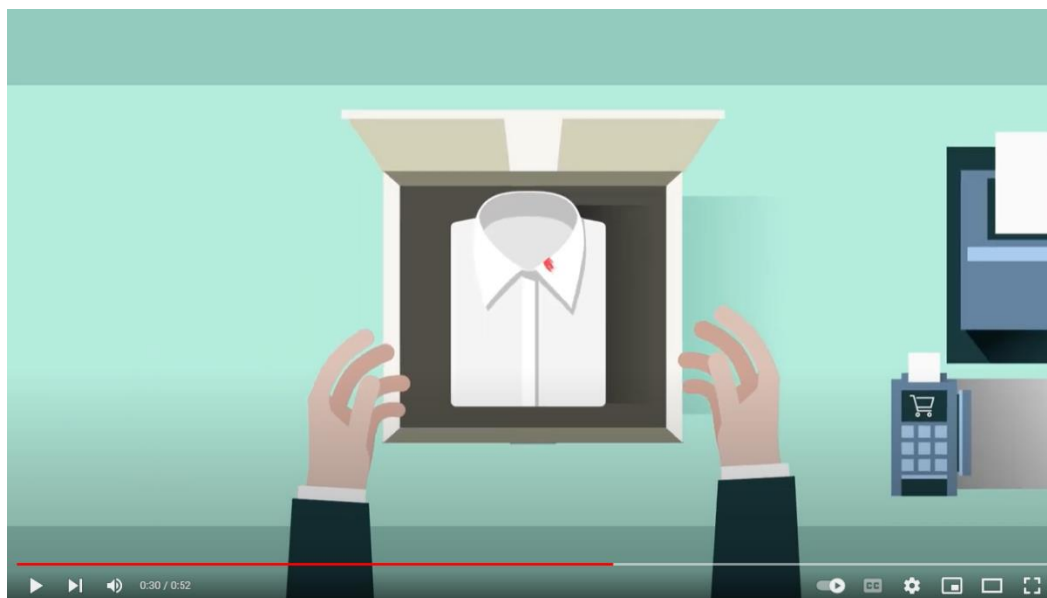


Figure 2. Video "Consumer Law Ready | Tip 1: How to implement pre-contractual information requirements".

Source: ConsumerLaw Ready. Link: https://www.youtube.com/watch?v=vzqOOghNuuU&ab_channel=ConsumerLawReady



Do you want to know more about consumer rights?

Visit the website of the EU to find out more information

https://europa.eu/youreurope/citizens/consumers/shopping/index_en.htm



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TOPIC 2 Pricing and payments

An important part of consumer rights is the pricing and the payment of products and services, which are regulated by EU laws. When a consumer is purchasing goods or services, he/she must have been informed about the total price, including all taxes and additional charges.

This topic addresses the most important consumer rights regarding pricing and payments and highlights what are the rights and the obligations in case of purchasing goods with different currencies. Finally, an overview of the VAT will be presented.



Figure 3. Pricing and Payments. Source: Canva



2.1. Paying in another currency – conversion charges

The consumer should be aware that while buying goods or services, that is priced in another currency, he/she is bearing extra costs, except of the purchase price. The extra costs usually include the following:

- > a foreign transaction fee charged by your bank or card provider (if you are not paying in euro or withdrawing euro)
- > a currency conversion fee
- > a fee charged by the owner of the ATM



When buying something in person or online, you might be offered the choice of paying in the local currency or in your home currency. If you pay in the local currency, you have to wait for your bank statement or credit card bill to find out how much the transaction cost in your home currency. This is often the cheapest option. If you pay in your home currency, you know immediately exactly how much you will be charged. The extra fees often make this option more expensive.

The traders can offer the option to the consumers, to pay in their home currency. In this case, it must be noted the extra fee that the consumers have to pay, is over the purchase price. In fact, the traders should express that cost as a percentage markup over the latest exchange rates of the European Central Bank.

Example. A hotel gives you a choice between paying for your stay in the local currency or your home currency. If you choose your home currency, the hotel should convert the amount of the bill using the ECB rate and inform you of the percentage of mark-up it will add.

The website of your bank or card provider must also offer information on these types of charges. In any case, you always have the right to say no and make the payment in the local currency.



Do you want to know more about the exchange rates?

Visit the website of the European Central bank to find out the daily currency exchange rates

[European Central Bank](https://www.ecb.europa.eu/)



2.2. Additional Charges

> FEES FOR THE USE OF CARDS

The EU prohibits traders to charge extra fees for payments with credit or debit cards. The only exceptions to this rule are American Express/Diners Club cards and business or corporate credit cards, where the employer of the consumer is billed instead of him/her. In case the person is using the aforementioned cards, he/she may still be charged a fee but the fee can't be more than what it costs the trader to process the payment. Credit card processing fees can typically range from 2.87% to 4.35% of each transaction, not including merchant service provider fees. As a small business owner, these fees can add up and take a bite out of your profits.



Figure 4. Transactions through card or cash payment. Source: Canva

> CHARGES FOR ADDITIONAL SERVICES

Often, the consumers are selecting additional services that have extra charges. In this case, the consumers must give their consent to any additional payment requested by the trader, for example, express delivery, gift wrapping or travel insurance.

Using a pre-ticked box on the trader's website does not constitute consent, so the consumer would be entitled to have any payment reimbursed which has been collected in that way.



Did you know that...?

The trader is not allowed to charge for additional services unless the consumer explicitly selected them.



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TOPIC 3 Shipping and delivery

What Is Shipping?

In this topic, it is important to distinguish between the shipping and delivery terms and to highlight which are the most important rights related to these issues. The term “shipment” or “shipping” refers to the packaging and dispatching of small items that can be sent using the local postal service. Often when shoppers place an order, there is a shipping timeline displayed. For example: “Dispatched within four business days.” The shipping timeline represents the number of working days it will take the warehouse staff to dispatch the product from the company’s end and shipping charges may vary. It also refers to the date on which the shipment will leave the warehouse of the retailer or supplier.

Delivery refers to the estimated date larger items are sent to the customer from the distribution centre. These items may include major appliances and furniture or products that require installation by personnel. Delivery also refers to the date the package will arrive to the customer. Delivery charges may range depending on the distance required to get from the warehouse to the customer.



Figure 5. Difference between Shipping and Delivery. Source: iThink Logistics

This way, customers will have a clearer understanding of what each term means and how long it will take for their product to arrive. Companies can make this process simpler by e-mailing shipping and delivery tracking information to the customer. The shipping date would let customers know the product has left the warehouse, and the delivery date would give them clarity as to when they should expect their order. Shipping was originally referred to as “dispatching” and delivery is still sometimes known as “distribution.” These previously-used terms give customers a better understanding of their meaning and the process involved.



3.1. Delivery costs

As mentioned before, the consumer must always be informed of the total price for their purchase, including delivery and other related costs. A trader may charge a different price to deliver items to another EU country. This can be justified, as postal charges are not the same in all EU countries. Therefore, before a person buys goods, the trader must inform him/her about which cross-border delivery options are available and the extra cost per option.

The consumer must explicitly consent to any additional costs, for example, if the trader wishes to offer express delivery or gift wrapping.



Did you know that...?

Using a pre-ticked box on the trader's website does not constitute such consent and you would be entitled to reimbursement of any payment which has been collected in this way.

3.2. Damaged goods

The trader is responsible for any damage to the goods from the time they are dispatched until the time they are received by

Therefore, if when you receive something that you ordered, you discover your goods are faulty or don't work as they should, you are entitled to ask for them to be repaired, or replaced, or, where neither is possible, you can ask for a price reduction or refund.

Remember that you always have a 2-year minimum guarantee at no cost, regardless of whether you bought your goods in an actual shop or elsewhere, for example online, by catalogue or by phone. Find out more about guarantees and returns.

3.3. Missing delivery

If you don't receive your goods within 30 days, or within the agreed time, you should remind the trader giving them an additional, reasonable time limit to deliver. For example, if the trader has informed you that your delivery is delayed by a week because of problems with his suppliers you should consider giving him that extra week.

If the trader still doesn't deliver within the extended deadline then you're entitled to terminate your contract and be reimbursed as soon as possible. You don't have to give the trader extra time



if they refuse to deliver or when an agreed delivery period is essential, for example, if you need the goods for a specific event, such as a dress for a wedding, and you have informed the trader of this in advance.



Did you know that...?

You can cancel an order if goods aren't delivered at the agreed time.



TOPIC 4 Know your rights

Consumers are the most significant facet of the Country's Economy. They are the ones who buy the product from the seller. In case the seller is being dishonest about the product. Then it could affect the consumers. Furthermore, it could affect the seller's business as well. There are many cases where the sellers act against consumer rights.



4.1. The Right to Be Informed

As a consumer, you have a right to receive accurate information. Consumers can make wise decisions only if they have the information they need. Businesses are required to provide certain details about their products. For example, drug companies must list the complete contents of every medicine. Clothing manufacturers must list the fibers used in materials. Packaged foods must show all ingredients, with the main one listed first. Companies provide this information through product labeling

4.2. The Right to Choose

Because the European Union has a large and diverse market economy, its consumers can choose from a wide variety of goods and services. Businesses compete with each other to sell their products to consumers. They offer new products, lower prices, higher quality, or improved



services to get you to choose their products. Competition provides choices. A lack of it hurts consumers.

4.3 The Right to Safety

You have a right to buy products that are safe to use. Product liability is the legal responsibility that manufacturers have to make a safe product. For example, tools and appliances must include safety devices for your protection. Federal laws ensure that clothing, food, toys, and other items will not harm consumers.

4.4 The Right to Be Heard

Consumers who have complaints about products or services have a right to be heard. Suppose you buy a bike helmet from a sporting goods store. After wearing the helmet a few times, you find that the chinstrap keeps coming loose. You have the right to let the store know you are not satisfied with the helmet. Businesses rely on customer satisfaction. The purpose of the customer service department is to listen to the concerns of customers.

4.5 The Right to Have Problems

Sometimes products do not work properly after they are purchased. Usually if a customer takes a defective item back to a store with a receipt, the business will replace it or issue a refund. If a business cannot or will not correct a problem, consumers can write to the manufacturer to find out how to get the matter resolved. If the manufacturer will not help, a government agency might be your next step.

4.6 The Right to Consumer Education

Consumers have the right to learn how a market system works. You should know how to get the best value and satisfaction for your money. When you decide to buy an item, you should know that different stores might charge different prices. You should know how to comparison shop to find the best buy. Check the information required by law on labels, and read fact sheets about products

4.7 The Right to Service

Customers have a right to be treated respectfully and courteously. You have the right to expect prompt delivery of goods or services that meet the standard of quality a business claims. You also have the right to be served without discrimination based on your race, gender, income, or age. These rights apply wherever you are being served.



LESSONS LEARNED

When you are searching for the consumer rights in your country you have to take into account national laws that apply in your case.

Always prefer to pay in the local currency to avoid extra fees.

The trader is not allowed to charge for additional services unless the consumer explicitly selected them.

When you receive something that you ordered, and you discover your goods are faulty or don't work as they should, you are entitled to ask for them to be repaired, or replaced, or, where neither is possible, you can ask for a price reduction or refund.

You can cancel an order if goods aren't delivered at the agreed time.



GLOSSARY

Consumer: A consumer is a person or a group who intends to order, or uses purchased goods, products, or services primarily for personal, social, family, household and similar needs, who is not directly related to entrepreneurial or business activities. The term most commonly refers to a person who purchases goods and services for personal use.

Contract: A contract is a legally enforceable agreement between two or more parties that creates, defines, and governs mutual rights and obligations between them. A contract typically involves the transfer of goods, services, money, or a promise to transfer any of those at a future date.

Currency: A currency is a standardization of money in any form, in use or circulation as a medium of exchange, for example, banknotes and coins.



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