





Members of the Internal Market and Consumer Protection Committee of the European Parliament

16 February 2009

Dear Member of the European Parliament,

RE: PROPOSAL FOR A DIRECTIVE ON CONSUMER RIGHTS

In view of your discussions on the above-mentioned proposal, our three organisations representing the whole spectrum of business, industry and commerce in Europe would like to emphasise their full support to the the objectives of the directive of improving the functioning of the single market by making cross-border trade easier for companies while ensuring an optimal common level of consumer protection.

We strongly believe that those objectives will be best achieved through targeted full harmonisation of certain aspects regulating contractual relations between companies and individual consumers.

The current national fragmented regulatory environment in this field makes it difficult, especially for SMEs, to operate across national frontiers. As a result they are reluctant to engage in cross-border trade. This results in less cross-border offerings, less competition and narrower choice, particularly from other Member States, for consumers.

This situation of legal uncertainty and regulatory fragmentation will be further complicated with the application of the Rome I Regulation on the applicable law to contractual obligations. This text indeed provides that the mandatory requirements of the legislation of the country where the consumer resides will apply whatever law may have been chosen by the parties. This scenario and the current difficult economic crisis call for urgent action to correct the situation.

The proposed directive will help to reduce the regulatory divergences and create a more harmonised and clear legal environment facilitating cross-border transactions for businesses and consumers. In this context, the full harmonisation character of the directive is of crucial importance and should not be diluted during the legislative process.

The undersigned organisations acknowledge the complexity and challenges of this debate. The crucial question will lie at striking the right balance between the competitiveness and interests of companies and an appropriately high common level of consumer protection. A "high" level of consumer protection should not be construed to mean "to the highest standards". Neither the most protective models nor the most fragile should be chosen.

The level of protection can only be decided by a political process, which should be based on facts and sound and objective research providing empirical hard data and on substantive stakeholder consultation. It should be also borne in mind that the notion of "consumer" needs to embrace both the rights and obligations that a consumer has as an actor in the market.

We therefore urge national and EU legislators to hold a constructive and pragmatic debate and to work for the good functioning of the Single Market and the implementation of the Better Regulation commitments that are the underlying aims of this proposal.

We trust that our comments will be taken into account in your discussions and look forward to further contacts with you on this important proposal.

Yours sincerely,

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