

# FRENCH CONSUMER LAW

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State of play & Update

***ECCG***

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# French consumer law - update

Adopted February 2014 – not yet published: pending referral  
Constitutional Court

## 1. ***Effectiveness of law:***

- French collective redress
- Strengthening of MSA
- Unfair contract terms

## 2. ***CRD implementation:*** regulatory choices

## 3. ***Sectorial improvements:*** legal guarantee + insurances

# Effectiveness of law

## French collective redress

- Scope: **Consumption** and **competition** covered
- System based on a **mixed opt-out/opt-in approach**
- Consumer Compensation for **material damages**
- Representative entities: only **certified national consumers' organisations** are able to launch a collective redress
- Ruling on trader's liability - **Publicity** only **once the judgment is no more subject to appeal**: long time
- **Compensation** organised by the judge: either directly by the trader or by consumer organisation (possible assistance by third legal party)

→ **Consumer organisation at the heart of the mechanism**

Individual material mass loss suffered by consumers: **consumer dispute or competition infringement**

Entitled entities to bring the action: certified consumers' organizations

**Consumer group not known nor identified**

**ORDINARY  
PROCEDURE**

**Ruling on admissibility + trader's liability**

**This decision must not be subject to any appeal**

- Defines the criteria according to which consumers can subscribe to the action: consumer group
- Determines the damages that may lead to compensation for each consumer or category of consumers from the group, their amount or any element allowing for the assessment of these damages
- Prescribes advertising measures to inform consumers (at the expense of trader)

**Competition cases:**  
liability ruled by the  
competition authority

**Publication of the ruling (only when the ruling is no more subject to any appeal)**

- Consumers would have between 2 to 6 months from publication to join the group : opt-in procedure
- The ruling provides whether consumers can proceed directly against the trader or through a representative consumer organization or a third legal party mandated by the association (judge authorization).

**Consumer compensation**

Individual material mass loss suffered by consumers: **consumer dispute or competition infringement**

Entitled entities to bring the action: certified consumers' organizations

**Consumer group known and identified**

**SIMPLIFIED  
PROCEDURE**

**Ruling on trader's liability**

**This decision must not be subject to any appeal**

**Measures for individual information to consumers** (at the expense of the trader + only when the ruling is no more subject to any appeal)

**Consumer Compensation** directly by the trader

# Effectiveness of law - Enforcement

## 1. *Unfair contract terms*

- Once a ruling states that a term is deemed unfair: the decision would automatically apply to similar contracts

## 2. *Strengthening of the DGCCRF* (French MSA – consumer protection):

- *Mystery shopping*
- *Sanctions*: deterrent effect: higher amounts

→ Move in the right direction BUT need for means & resources to implement these measures - since 2007, DGCCRF inspectors: decrease of 15% + activity: decrease of 20% (two last years)

# CRD : FR Regulatory choices

- **Withdrawal right** from 7 to **14 days**
- **Ban on payment during the withdrawal period**: FR maintains the **7 days** existing ban on payment for **off-premises contracts** from the conclusion of the contract. But deletion of the ban for direct selling through organised meetings where the consumer gave its prior express approval (Tupperware)
- **Distance contracts concluded by phone**: FR maintained the obligation for traders to confirm the offer to the consumer on paper or durable medium + consumer is bound only when he has signed the offer or has sent his written consent.
- **Market stalls and fair stands: no WR**. Obligation for the trader to inform consumers that he does not benefit from a WR

# Improvements on Legal Guarantee

## 1. Presumption for lack of conformity

- From 6 months to **2 years** (the whole legal guarantee period)
- Entry into force foreseen two years after the publication of the law

## 2. Availability of spare parts

- The manufacturer or importer shall inform the trader on the ***time period or the deadline of availability*** on the market of the spare parts necessary for the functioning of the goods.
- The ***information is given to the consumer before the conclusion*** of the contract and written confirmation on conclusion.
- As soon as the period or date has been indicated, the manufacturer or importer must ***provide traders or repairers within two months*** from their request with the spare parts necessary for the functioning of the good.



# Insurances: improvements

- **Right to rescind** an insurance contract at **any time after the first year** (including ancillary contracts)
- **Ancillary contracts for goods** (for services, only travel insurances are covered)
- Information to consumer: prior to the conclusion of the contract, the insurer shall provide the consumer with a document inviting him to **check whether he does not already benefit from an insurance covering one of the risks** covered by the new contract
- **14 days WR from conclusion of the contract**: condition of proof of a contract covering the same risk

# Thank you for your attention

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