Consumer Rights Directive

Make sure you comply

Summary for retailers & traders dealing with consumers

What is the Consumer Rights Directive?

The Consumer Rights Directive (CRD) came into force in 2014 and introduced a number of important changes to consumer law.

It provides consumers with increased protection in distance selling (e.g. online) and off-premises (e.g. doorstep sales) contracts.

The CRD was implemented in Ireland as <u>Regulations</u>. These have introduced a number of new provisions and changes to existing obligations which traders must comply with, including an extended withdrawal period.

What are the new requirements?

- Ban on pre-ticked boxes You cannot take additional payments without the consumer's express consent.
- Ban on hidden fees and charges Traders must make clear the total cost of the product or service, including any additional fees (e.g. taxes or delivery costs), before the order is confirmed.
- Right to quicker refund Consumers who withdraw from a contract must be refunded within 14 days.
- Ban on surcharges You cannot impose excessive credit or debit card charges.
- Clearer information on the cost of returning unwanted goods – Consumers who withdraw from a contract must be clearly informed of any costs for returning goods before the order is completed.
- Digital purchases Consumers must be clearly told about the compatibility of the content with hardware and software and if there are any technical protection measures, such as a limit on making copies.

For more information on the requirements for traders, visit the <u>Compliance for Business</u> <u>section</u> on our website.



Extended Withdrawal Period

Under the Regulations consumers can withdraw from a distance or off-premises contract within 14 days of receiving goods or within 14 days of completing a contract in the case of a service.

You must make a <u>model cancellation form</u> available to consumers. You must also inform the consumer of their right to withdraw. If you do not inform the consumer of the right of withdrawal, the cancellation period will be extended to 12 months from the date it would have expired had the information been provided.

Sanctions and Penalties

The Competition and Consumer Protection Commission has a range of <u>powers</u> to ensure businesses comply with consumer protection law. These are:

- Prosecution
- Compliance notices
- Undertakings
- Prohibition orders
- Fixed payment notices

If found guilty of an offence, a seller will be liable to a fine of up to ξ 5,000, or up to 12 months' imprisonment, or both.

