

# Amendment to consumer law - impact on business activities and e-shops

## What is new?

- On 7 December 2022, Act No. 374/2022 Coll. amending the Consumer Protection Act and the Civil Code (the „Act“) was published in the Collection of Laws, **bringing several significant changes to consumer law.**
- **The amendments will take effect on 6 January 2023.**
- The Act **tightens the regulation of online sales** and regulates, in particular, the procedures and obligations for businesses regarding **consumer reviews, notification of discounts, regulation of online marketplaces and distance, and off-premises contracts.**

## Who is affected?

- All businesses will have to comply with the newly introduced consumer protection obligations **in their dealings with consumers.** This means that both **brick-and-mortar and e-shop** operators will be affected concerning the offer of goods and services.
- Beyond the general regulation for all businesses dealing with consumers, specific rules are laid down in particular for **operators of e-shops, online marketplaces, and digital content providers.**

## What does this mean for you?

### User reviews

- If you publish **user reviews**, you will need to inform consumers whether and how you verify their authenticity.
- It is prohibited to publish fake and covertly sponsored reviews and the review management process will be further regulated.

### Discount promotions

- The new obligations also apply to **how discounts are notified.** For almost any type of discount, **the reference price must also be disclosed to the consumer** when the discount is announced.
- The reference price is (i) the lowest in the 30 days before the announcement of the discount, (ii) if the product has been on the market for a shorter time, the lowest price since launch, or (iii) in the case of incremental discounts, the price in the 30 days before the first discount.

### Ordering Process

- In the ordering process through the e-shop, the text **on the confirmation button** must be sufficiently clear to convey that the customer is **bindingly ordering the goods or services and committing to pay the price.**

### Instruction for goods

- You are obliged to provide the consumer with **instructions** for the goods purchased, but now it is sufficient to send them in electronic form.

## Warranty and the Complaints Policy

- There is no longer a legal obligation to provide consumers with a **guarantee**, but if you do, you must provide a guaranteed certificate. **Liability for defects** is also regulated, so the complaints procedure should be updated.
- In this context, and at the same time because of the new provisions of the Act, **the complaints procedures and regulations will also need to be amended.**

## Telephone and digital content contracts

- When concluding **distance contracts**, it will always be necessary to provide the consumer with a textual confirmation of the concluded contract containing the information provided by law. At the same time, it is not possible to conclude a contract with a consumer during a telephone call; confirmation of an offer made over the telephone will have to be sent subsequently in text form.
- Obligations are also set out concerning the conclusion of **digital content contracts.**

## Revision of the terms and conditions

- Many of the above changes, and those relating to the information obligation, will need to be **incorporated into the general terms and conditions.**

## Prohibition of dual-quality of goods

- Unfair commercial practices include the marketing of products as identical to products marketed in other EU Member States, even though the products have different compositions or characteristics, i.e., **the prohibition of dual quality of goods.**

## Online marketplaces

- Among the requirements in place is the obligation of **transparency in the case of online marketplaces**, consumers must be informed about published offers.

## What are the consequences?

- Violations of some of the new rules may result in penalties of **up to CZK 5 million** from the Czech Trade Inspection Authority.
- The law also allows consumers to **withdraw from a contract within 90 days** of its conclusion for unfair commercial practices.
- The consumer can also demand that the trader reduce the price by a reasonable amount corresponding to the nature and seriousness of the unfair commercial practice

## How to proceed?

- As the new consumer law legislation is about to come into force, **we recommend that you review your processes for dealing with consumers as soon as possible and take appropriate measures to ensure compliance with the new requirements.**
- We recommend that you appropriately assess and **update your purchasing process, complaints policies, general terms and conditions, and other information documents** that may be subject to consumer protection.

The PEYTON legal team is fully available to assist you in implementing the new consumer protection requirements.

## Do not hesitate to contact us at any time.



**Jakub Málek**  
managing partner  
malek@plegal.cz



**Miloš Kulda**  
attorney  
kulda@plegal.cz



**Kateřina Roučková**  
junior lawyer  
rouckova@plegal.cz