

Administration's proposals to strengthen the existing regulatory regime for the protection of consumers against malpractices in retail business

There is much tension between consumer protection and retail trade. Currently we do not believe that widening the duties for retail traders will significantly improve consumer protection. Imposing the obligation to issue an invoice or receipt to the buyer, which contains the full name and address of the supplier, product price, the date of supply and product description, is not sufficient to protect consumers against malpractices. Anyhow, almost all retailers are giving out receipts after clinching the deal. The starting point should be defined before the goods enter the market, because quality assurance begins with manufacturing and labeling. Whereas, it might be less straight forward to control the labeling and quality of imported goods. Maybe it should be a duty of the importer to make random checks of before distributing to retailers.

Because the retailer is just selling the product, he supposedly possesses some knowledge without being an expert. Therefore it could be fair to dilute the risks by establishing a claim mechanism for the retailer against the importer.

Especially at the market places there is no need for that kind of a receipt, because we can expect that the responsible customer will be careful and thoughtful about buying precious goods. It conforms to essence of market places that the customer bears the risk of the quality, but he also has the chance to snatch an offer.

In short, we appreciate the idea of strengthening the protection of consumers and we hope that more practical and effective measures are following. The new trade rules should be the beginning for a comprehensive consumer scheme.

- German Industry and Commerce Ltd. -