

CMS Expert Guide to E-commerce in CEE

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Introduction

Since the beginning of the century, the Internet has dramatically changed modern society. Its influence extends beyond individual lifestyles: it has reshaped social interactions and perceptions of reality, while having a significant impact on global trade.

Shared access to the global network, new services and technologies, innovations in payment services and the widespread adoption of AI are transforming the e-commerce sector. All of this is making the purchasing experience and after-sales services easier and more convenient for customers. At the same time, new technologies are improving logistics and supply chain management, resulting in faster and more efficient deliveries.

According to *European E-Commerce Report 2024* by EuroCommerce, total B2C European e-commerce sales reached EUR 887 billion last year, up from EUR 864 billion. However, there were regional differences, with the strongest growth recorded in Eastern Europe (15%), Southern Europe (14%) and Central Europe (8%). In contrast, Western Europe experienced a slight decline of 1%. In terms of country performance, Ukraine noted the strongest sales growth with 145%, followed by Bulgaria (19%) and Poland (17%).

Online shopping has allowed businesses to overcome territorial barriers and has encouraged them to reach out to entirely new customer bases that were previously unreachable, for example because of the distance that prevented customers from travelling to a physical shop. The Internet makes it possible to overcome these limitations and to offer goods and services across borders. European customers seem to share this point of view. According to Eurostat, in 2023 53% of e-shoppers bought goods and services from a domestic seller, but at the same time 21% reported purchases from different Member States, and 13% from a seller outside of the EU.

There has never been a better time to digitise your business and reach customers in the ever-growing CEE market. Economic trends and consumer demands underline the reality that only companies with a robust online presence are likely to continue to grow, reach potential customers, and thrive in this evolving landscape. Let us help you take this vital step into the future.

We hope you find the **CMS Expert Guide to E-commerce** to be a useful resource for your business.

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How we can help

At CMS, we have a market-leading CEE-wide team with extensive experience in advising businesses in the e-commerce sector. This means we can support clients on the full range of legal issues that might arise when running an online store, and we can provide support on a multi-jurisdictional basis.

Our support consists not only in advising on how to start running an e-store, but we also advise on all legal and tax aspects of doing e-business, in particular:

- Consumer protection
- Regulatory issues, product safety and labelling
- Competition
- Commercial contracts
- IT & Outsourcing
- Data protection
- IP & Advertising
- Insurance
- Pensions & Employment
- Real estate
- TAX
- M&A
- Banking & Insolvency

Please get in touch if you would like more details on how we can help your business.





Albania

I. E-commerce sector – fact and figures

1. Recent growth and trends in e-commerce

Albania has seen a marked expansion in e-commerce, with recent years showing especially robust growth. This growth is largely attributed to increased internet penetration, widespread smartphone usage, and digital transformation efforts supported by both the public and private sectors. According to the Albanian Ministry of Finance and Economy, online transactions within Albania rose significantly, especially following the COVID-19 pandemic, which fueled a rapid transition to online shopping as physical retail spaces faced restrictions.

In 2020, the value of the e-commerce market in Albania was estimated at approximately €50 million, a significant increase compared to previous years. This trend has only intensified, with experts predicting a consistent growth trajectory in the coming years as the infrastructure supporting online payments and logistics continues to improve. By 2024, the Albanian e-commerce market is expected to exceed €100 million, almost doubling within a few years.

Albanian consumers are increasingly inclined to shop online, not only with local e-stores but also from international e-commerce platforms. The latest data from INSTAT, the national statistics institute, indicates that around 35% of Albanian internet users made at least one online purchase in the past year, with younger consumers leading this trend. Popular categories among Albanian online shoppers include:

- Clothing and accessories: 19%
- Electronics and household appliances: 12%
- Books and entertainment: 8%

In response to these developments, Albanian regulatory bodies, such as the Albanian Competition Authority, have undertaken initiatives aimed at ensuring a secure and fair e-commerce landscape. These measures include addressing issues related to consumer data protection, combating fraudulent online activities, and ensuring transparency in online advertising. Furthermore, the recent enactment of the “Law on E-Commerce,” aligning with the EU e-commerce directive, marks a significant regulatory step toward fostering a safer and more regulated online marketplace in Albania.

II. Setting-up e-commerce business

1. Is the established local presence of a foreign company required to start selling online?

In Albania, foreign companies do not necessarily need a local physical presence to sell products online directly to Albanian consumers. However, the “Law on E-Commerce” in Albania aligns with EU regulations, requiring foreign e-commerce businesses to adhere to local consumer protection, data privacy, if they are actively targeting the Albanian market. For instance:

- **Consumer Protection compliance:** Foreign companies must follow Albanian consumer protection laws, including the right of consumers to withdraw from purchases, fair advertising, and transparent information on prices and delivery times.
- **Data Protection compliance:** Albania’s data protection law, aligned with GDPR principles, requires businesses handling Albanian consumer data to implement adequate data protection measures, even if they lack a physical presence in the country.

2. Are there any license/permit requirements applicable to e-commerce businesses?

There are no specific licenses for e-commerce businesses in Albania. However, Albanian businesses must comply with general commercial laws, including registration with the national business center (NBC) and obtaining a vat number if applicable.

- **Business registration:** All businesses, including those operating solely online, are required to register with the national business center (NBC). Registration provides businesses with a unique identification number, allowing them to legally operate within Albania. Foreign companies may also need to register for tax purposes if they engage in significant commercial activity targeting Albanian consumers.
- **Data Protection compliance:** E-commerce businesses must comply with Albania’s data protection regulations. If they collect and process consumer data, businesses may need to notify or register with the commissioner for the right to information and protection of personal data (IDP), especially for extensive data processing.
- **Compliance with the law on e-commerce:** Under Albania’s “law on e-commerce,” businesses are required to provide clear information about their identity (such as company name, address, and contact details), terms of sale, and consumer rights. While there is no e-commerce-specific license, businesses must adhere to consumer protection standards and advertising transparency.
- **Tax registration and VAT compliance:** E-commerce businesses must comply with tax laws, including registering with the Albanian tax authorities for vat if sales exceed set thresholds. This registration is particularly important for businesses generating substantial revenue from Albanian consumers.

3. What e-commerce specific contracts must be concluded before starting an e-business?

To set up an e-commerce business in Albania, various contracts and operational elements are essential to ensure compliance, smooth operations, and customer trust. From securing reliable suppliers and payment processors to drafting website policies and managing logistics, each component plays a role in creating a successful online business framework. Here’s a detailed breakdown:

- **Domain name:** A domain name serves as the digital address for an e-commerce business. Albanian businesses can select from national (.al) or international (.com, .eu) domain extensions for a cross-border presence. Additionally, goods may be offered through various online marketplaces to extend reach.
- **Hosting services:** Hosting services are necessary, with options including cloud servers, shared web hosting, virtual private servers, and dedicated servers, depending on the anticipated site traffic and specific business needs.
- **Contracts with suppliers:** Supplier contracts define product pricing, inventory management, delivery terms, and responsibilities for defective items. These agreements are essential to maintaining a reliable and consistent supply chain, critical for a seamless online shopping experience.

- **Agreements with payment processors:** Agreements with payment processors are crucial for secure online payments, covering transaction fees, data security, and dispute resolution processes. These contracts protect both business and customer financial transactions and ensure compliance with Albanian e-commerce regulations.
- **Fulfillment and logistics contracts:** Logistics providers help manage storage, packaging, and shipping, including delivery times, return processes, and liability for lost or damaged goods. Albanian e-commerce businesses may rely on third-party logistics providers or use a drop-shipping model, where orders are forwarded to a partner for direct shipment to customers.
- **IT-related services:** For a streamlined ordering experience, IT services should support inventory tracking, order processing, and data security. This ensures customer satisfaction and builds trust in the website's functionality and security.
- **Creative services:** Developing an e-commerce website requires creative services for design and technical requirements, such as invoicing, accounting, marketing tools, and customer relationship management systems. These elements help optimize customer engagement and operational efficiency.
- **Website terms and conditions, privacy policies, and user agreements:** Comprehensive website policies protect both the business and customers. Terms and conditions define the legal relationship, covering issues like payment terms, order cancellations, refunds, and dispute resolution. Privacy policies inform users of data collection, storage, and usage practices, ensuring compliance with Albania's data protection laws. User agreements establish the rights and responsibilities of customers when using the site, limiting liability and setting clear expectations.
- **Payments:** While cash-on-delivery is popular in Albania, electronic options like credit and debit cards, online transfers, e-wallets, and mobile payments offer flexibility to accommodate customer preferences.

4. Are there specific restrictions that impact on the selection of products offered for online purchase?

Yes, there are specific restrictions in Albania that affect the types of products that can be offered for online purchase, primarily for safety, health, and regulatory compliance. Certain categories of goods, especially those that could impact public health or safety, require special permissions or are restricted.

- **Regulated products:** Products like pharmaceuticals, medical devices, alcohol, and tobacco are heavily regulated. E-commerce businesses offering these items must obtain specific licenses and permits. For example, a license from the Ministry of Health and Social Protection is required for pharmaceuticals and medical devices, while alcohol and tobacco sales are subject to strict licensing and age-verification requirements.
- **Prohibited goods:** Some items are outright prohibited from being sold online, such as illegal drugs, unlicensed firearms, and certain types of wildlife products. Albanian law prohibits the sale of goods that violate national security or public safety standards, and violators may face legal penalties.
- **Cultural artifacts and antiquities:** The sale of cultural heritage items and antiquities is restricted to prevent unauthorised distribution or export. Sales involving such items generally require approval from relevant cultural authorities to ensure compliance with national heritage laws.
- **Food and cosmetics:** While food and cosmetics can be sold online, they are subject to strict health and safety regulations. Businesses selling perishable goods or cosmetics must meet packaging, labeling, and storage requirements as specified by health authorities to ensure consumer safety.
- **Age-restricted products:** Items like alcohol, tobacco, and certain types of entertainment products (e.g., adult content or video games with mature ratings) are subject to age-verification requirements. E-commerce must implement robust age-verification systems to restrict sales to minors.

Compliance with these product-specific restrictions is essential for any e-commerce business operating in Albania, as it ensures adherence to legal standards and minimises potential risks associated with offering restricted items online.

III. Legal design – ABC of the online store website interface

1. Defining the audience: does the business need to decide upfront if the ecommerce website addresses consumers and/or professionals?

Yes, defining the target audience—whether the e-commerce website will address consumers, professionals, or both—is essential for an Albanian e-commerce business. This decision significantly impacts various aspects of operations, including legal compliance, website functionality, and marketing strategies. Different regulations apply based on the audience; for instance, consumer protection laws are more extensive in B2C settings, requiring clear information on pricing, return policies, and consumer rights, while B2B transactions allow more flexibility in contract terms.

The website's structure also varies: B2C sites are typically designed for easy navigation and fast checkouts, focusing on product variety, whereas B2B platforms may offer features like bulk ordering and customised pricing. Additionally, knowing the audience type helps tailor marketing efforts, as B2C strategies often emphasise broader reach through social media and influencer marketing, while B2B approaches may focus on industry-specific platforms and targeted email campaigns. Furthermore, contractual terms differ, with B2C websites usually having standard terms for individual consumers and B2B sites requiring more customisable agreements.

2. What are the mandatory elements of an e-commerce business website?

In Albania, e-commerce websites are subject to specific legal requirements designed to protect consumer rights and ensure compliance with privacy and data protection laws. Here is a detailed analysis of each mandatory element, including privacy policies, cookies, and data management practices:

- **Identification of the Business:** E-commerce websites must clearly display the full legal name of the business, its registered address, and contact information, including an email address and phone number. This transparency ensures that consumers can identify the business entity they are interacting with and reach out for inquiries or complaints.
- **Comprehensive product/service information:** Businesses are required to provide accurate, accessible descriptions of products and services. This includes details about the nature, main characteristics, and functionalities of goods or services offered. All associated costs, such as product prices, applicable taxes, and additional charges (e.g., shipping fees), must be displayed before the consumer proceeds with a purchase.
- **Terms and conditions of sale:** A section outlining the terms and conditions governing transactions is mandatory. This should cover key aspects such as payment methods, delivery schedules, cancellation rights, and return policies, providing clarity on the processes and timelines for each. These terms also typically include details about warranties, consumer rights, and dispute resolution mechanisms, as mandated by the Albanian Consumer Protection Law.
- **Privacy Policy:** Albanian data protection law mandates that e-commerce websites have a comprehensive privacy policy that informs users about how their data will be collected, used, stored, and protected. This policy should specify the types of personal data collected (such as name, contact information, payment details, etc.), the purpose for collecting each category of data, and the legal basis for processing it (usually user consent or contract necessity). Users should also be informed of their rights, including the right to access, rectify, or delete their data and the right to withdraw consent.
- **Cookies Policy:** Websites that use cookies (for tracking, analytics, or personalized advertising) must inform users about cookie use through a cookies policy. Albanian law requires that users are notified when they visit a website that employs cookies, and they must be given the option to consent to or decline their use. The policy should outline what types of cookies are used (essential, analytics, advertising, etc.), the purpose of each type, and the duration for which they remain active. Users must also be provided with options to manage or disable non-essential cookies directly from the website.
- **Data Management and Security:** Under Albanian law, e-commerce businesses must implement and disclose reasonable data security measures to protect user information. This typically involves the use of secure payment methods (such as SSL encryption for transactions), regular software updates, and access controls to prevent unauthorised access. The website should explain its data retention policy, specifying how long user data is stored and the circumstances under which it is deleted, ensuring compliance with data minimisation principles.
- **Advertising standards and transparency:** E-commerce websites must comply with advertising regulations by ensuring all promotional materials are accurate and do not mislead consumers. Advertised discounts, offers, and promotions must be clearly explained, including any terms or limitations (such as expiration dates or specific conditions for eligibility).

- **Customer support and complaint mechanism:** A section on customer support, including details on how users can submit inquiries or complaints, is often required or encouraged. The contact information for customer service should be easily accessible, and response times and procedures for complaint resolution should be specified where possible.

3. Is it mandatory that the website information be provided in the local language?

Yes, under Albanian law, it is generally required that essential information on e-commerce websites be provided in the local language—Albanian—to ensure accessibility and understanding for consumers. This includes key sections such as terms and conditions, product descriptions, pricing details, privacy policies, cookies policies, and other essential consumer information.

Providing information in Albanian aligns with the consumer protection framework, which emphasises the need for clarity and transparency in all communications with users. Additionally, offering the website in the local language helps prevent misunderstandings about consumer rights, purchase obligations, and the protection of personal data.

4. What are the legal requirements for publishing customer reviews?

Under Albanian law, e-commerce sites that publish customer reviews must ensure that these reviews are genuine and not misleading. To comply, businesses should verify that reviews come from actual customers who have purchased or used the products or services. Any attempt to alter, fabricate, or selectively display reviews to mislead consumers can be seen as deceptive advertising and is prohibited.

Websites should also inform users of their policies regarding review authenticity and any moderation practices (such as screening for offensive language), ensuring transparency. Additionally, Albanian law may require that fake or incentivised reviews (i.e., reviews written in exchange for benefits) are either prohibited or clearly disclosed to avoid misleading potential customers.

- **Authenticity verification:** Ensure reviews are from genuine customers who have purchased or used the product or service.
- **No misleading content:** Avoid fabricating, altering, or selectively displaying reviews in a way that misleads consumers.
- **Transparency in moderation:** Inform users of review policies, including any moderation or screening processes (e.g., filtering offensive language).
- **Disclosure of incentives:** Clearly disclose if any reviews were incentivised (written in exchange for benefits) to maintain transparency.
- **Prohibition of fake reviews:** Albanian law may restrict posting or soliciting fake reviews, emphasising fair and honest consumer representation.

5. What elements of the store interface could be considered as dark patterns?

Certain interface elements on an e-commerce store can be considered “dark patterns” if they are designed to manipulate user behaviour, often in ways that may be misleading or deceptive. Key examples include:

- **Hidden costs:** Surprising users with additional fees (like shipping or taxes) at checkout, rather than being upfront about the full price.
- **Countdown timers:** Using timers that create a false sense of urgency, suggesting a limited time offer even when it isn’t genuine.
- **Confusing cancellation processes:** Making it challenging to cancel a subscription or order, such as requiring multiple steps or concealing the cancel option.
- **Pre-checked boxes:** Automatically selecting add-ons or subscription services that users must uncheck to avoid unwanted charges.
- **Trick questions:** Designing consent or opt-in forms with double negatives or misleading language to obtain user consent without clear understanding.
- **Forced account creation:** Requiring users to create an account before they can complete a purchase, limiting guest checkout options.

IV. Marketing & promotions

1. What are the key requirements for announcing and running price promotions?

In Albania, any announced price promotion must be transparent, truthful, and not misleading. The previous price (often referred to as the “reference price”) must be shown alongside the promotional price, enabling consumers to clearly understand the discount offered.

Promotions should disclose all relevant conditions, including time limitations, quantity restrictions, or eligibility requirements, to avoid any misinterpretation. Prices must also include all applicable taxes and additional fees (such as delivery charges) up front. Promotions that misrepresent discounts or omit crucial information could be regarded as deceptive advertising, subject to legal action by consumer protection authorities.

2. Is explicit consent required for marketing communications?

Under Albanian data protection law, explicit consent is mandatory for marketing communications via email, SMS, or other direct channels. This means that consumers must voluntarily opt-in to receive these communications, ideally through a clear consent form or checkbox that is unchecked by default. Consent should be specific, informed, and easily revocable, giving users the ability to unsubscribe or opt-out at any time.

Businesses should clearly outline how user data will be used and stored, in compliance with privacy standards. Non-compliance, such as sending marketing messages without consent or using pre-checked boxes for opt-ins, may result in fines or penalties under Albanian law.

3. What types of promotional activities are under the special scrutiny of local authorities?

Certain promotional activities are especially scrutinized by Albanian authorities due to their potential to mislead or unfairly pressure consumers. These include:

- **False or misleading discounts:** If discounts are not based on actual prior prices or are applied selectively, they may be seen as deceptive. “Fake” discounts—raising the original price before applying a discount—are prohibited.
- **Bait-and-switch tactics:** Advertising a product at a low price to attract consumers, only to replace it with a more expensive or different product once they attempt to purchase, is also closely monitored.
- **Scarcity and urgency messaging:** Any claims about limited stock or time-limited offers should be factual. False urgency messages, such as countdown timers or messages like “Only 2 items left,” are subject to examination if they create artificial pressure.
- **Influencer and celebrity endorsements:** Promotions that use influencers or public figures must ensure that paid endorsements are transparently disclosed. Influencers must state clearly if they were paid or given free products for endorsements, helping consumers identify genuine recommendations.

V. Other key considerations for running e-commerce

1. Do special rules apply to product returns and defective goods?

Albanian law provides strong consumer protections regarding returns and warranties, particularly for defective or nonconforming goods. Consumers generally have a statutory right to return a product within 14 days from delivery, especially for online purchases. For defective goods, businesses are obligated to repair, replace, or refund the product within a reasonable time.

This right often extends for a warranty period, during which any non-conforming goods can be returned or exchanged. For non-defective goods, returns may depend on the seller’s policy, but it should be stated clearly within the terms and conditions. If sellers impose limitations on returns, these restrictions should be communicated to customers clearly and transparently.

2. What are the main competition risks in online selling?

Online sellers in Albania need to be mindful of competition laws that protect against practices that could harm market fairness and consumer choice. Risks include:

- **Price-fixing and collusion:** Agreements with competitors to set fixed prices are prohibited, as they restrict fair competition. This includes agreements that prevent discounts or special pricing arrangements that could stifle market competition.

- **Dominance abuse:** Sellers with a dominant market position should avoid using their influence to restrict other businesses or create unfair market conditions, as this can lead to investigations by competition authorities.
- **Exclusive or tied selling:** Arrangements that require consumers to purchase additional products or limit their ability to shop elsewhere could also be viewed as anti-competitive. Exclusive agreements, especially if restrictive or limiting, may require special authorisation if they impact consumer choice.

3. Are there specific legal considerations relevant to the financial services provided to e-store customers (e.g. payment processing services)?

- **Legal Considerations for Financial Services in E-Stores:** For e-commerce platforms offering financial services, such as payment processing or credit options, Albanian law mandates strict data security and transparency in all transactions. E-stores should ensure:
- **Transparency in fees and charges:** Any transaction fees, interest rates (if offering credit), or processing fees should be disclosed upfront, and users should be clearly informed of any extra charges before completing a transaction.
- **Data protection and security:** Payment processing services must comply with data protection regulations, which include secure data handling practices, encryption of sensitive financial information, and limited access to personal financial data.
- **Fraud prevention and compliance:** Payment processors must adhere to anti-money laundering and fraud prevention regulations, implementing appropriate controls to monitor suspicious transactions. Additionally, any external payment processing services integrated with the e-store must comply with local licensing requirements, ensuring compliance with Albanian banking and financial regulations.

VI. Legal enforcement in e-commerce

1. What relevant authorities are responsible for legal enforcement with regard to e-commerce businesses?

In Albania, e-commerce businesses are primarily regulated by a few key authorities:

- **Ministry of Finance and Economy:** Responsible for overseeing general trade practices and ensuring compliance with financial regulations, particularly concerning tax obligations. The ministry monitors business registration and licensing, which e-commerce companies must comply with under Albanian law.
- **Consumer Protection Commission:** This authority, operating under the Ministry of Finance and Economy, enforces consumer protection laws in e-commerce by addressing complaints from consumers. It plays a role in ensuring that businesses provide accurate product information, comply with advertising standards, and uphold consumer rights.
- **E-commerce sector:** The ACA regulates anti-competitive practices, such as price-fixing or monopolistic practices that could harm consumer interests or reduce market competitiveness.
- **Commissioner for Personal Data Protection:** E-commerce businesses handling consumer data must comply with Albania's data protection laws. This Commissioner enforces the Law on Personal Data Protection and monitors compliance with data handling, storage, and processing standards to safeguard consumer privacy.

2. What is the landscape for private enforcement of consumer rights in the context of e-commerce?

In Albania, private enforcement of consumer rights in the e-commerce sector is becoming more prevalent as consumer awareness increases. Consumers can enforce their rights through various mechanisms, such as filing complaints with the Consumer Protection Commission for issues like misleading advertising, defective products, or fraud. This commission facilitates dispute resolutions, often requiring e-commerce businesses to correct issues or compensate consumers. Additionally, consumers have the option to pursue private legal action against businesses in cases of contract breaches, poor product quality, or deceptive advertising.

Consumer associations also play an important role by advocating for consumer rights, providing legal guidance, and sometimes representing consumers in disputes with e-commerce companies. These associations raise awareness about consumer protections and often work with authorities to improve e-commerce compliance.

VII. Upcoming changes in e-commerce

1. Are there legal developments on the horizon of relevance to e-commerce businesses?

Albania is in position for significant regulatory updates impacting e-commerce, aiming to align more closely with EU standards and enhance consumer protections. Key upcoming changes include potential adoption of frameworks like the EU Digital Services Act (DSA) and Digital Markets Act (DMA), which would enforce transparency, consumer rights, and digital accountability. Strengthening of data protection laws, modeled on the EU's GDPR, is also on the horizon, meaning e-commerce businesses may need to adopt stricter practices for data collection, processing, and consent.

- **Strengthening of Data Protection regulations:** Albania is working toward stricter data protection laws in line with the General Data Protection Regulation (GDPR). This would mean stricter requirements for e-commerce businesses on data collection, processing, and user consent, impacting how they handle customer information.
- **Enhanced cybersecurity measures:** Given the rise in cyber threats, Albania is considering introducing additional cybersecurity requirements for online businesses. This could require e-commerce businesses to implement advanced cybersecurity protocols to protect against data breaches and fraud.
- **Updates in Consumer Protection laws:** The Consumer Protection Commission is advocating for stronger e-commerce-specific consumer protection laws, including better refund policies, product transparency, and protection against unfair contract terms, which would enhance consumer rights in the online shopping sector.

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Bosnia and Herzegovina

I. E-commerce sector – fact and figures

1. Recent growth and trends in e-commerce

With a population of 3,5 million, Bosnia and Herzegovina (BiH) is an emerging consumer market with a growing e-commerce sector. Unlike the global market, there is no accurate data on the volume of e-commerce in Bosnia and Herzegovina but based on the balance sheets of all companies registered in this industry, it is possible to see the development of this industry as a whole. Business performance trends are analysed through the biggest e-commerce companies in Bosnia and Herzegovina (olx.ba, ekupi.ba, ebay.com, amazon.com, aliexpress.com) and according to this data, Bosnia and Herzegovina is no exception in regards to the dynamic growth of e-commerce. Local and regional companies are experiencing growth in the e-commerce sector, and in addition to pure e-commerce companies many brick and mortar retailers have introduced online sales channels that they did not have before.

Recent research found that around 8 out of 10 persons in Bosnia and Herzegovina purchases goods or services online, which is a significant increase compared to 2020.

According to relevant data the top products and categories for Bosnian e-commerce buyers include clothes/footwear/accessories, computers/mobiles, cosmetics, books and food. Also, internet users in Bosnia and Herzegovina are more willing to purchase goods/services not only in local e-stores but also in e-stores outside of Bosnia and Herzegovina.

According to Euromonitor's data, internationally recognised third-party merchants are a big factor in the e-commerce market in Bosnia and Herzegovina as these players carry the most extensive product range, offering products that are otherwise not carried by other retailers in the local market.

With this said, entering the Bosnia and Herzegovina market is worth considering for many local and international e-commerce merchants.

II. Setting-up e-commerce business

1. *Is the established local presence of a foreign company required to start selling online?*

There are no specific rules for e-commerce. However, the relevant legislation on trade provides that that distance trade (which includes online sales) can be performed by registered business entities, which also have to be registered for performance of distance sales in the commercial register. Although not expressly stated, this implies the relevant commercial register in Bosnia and Herzegovina. In addition, products intended (active sales) for local customers must have a declaration in accordance with the law and technical and other regulations, or standards, written in one of the languages in official use in Bosnia and Herzegovina. Foreign companies who do not actively sell into BiH (e.g., AliExpress, Amazon) are not obliged to register or provide documentation in accordance with local laws.

2. *Are there any licence/permit requirements applicable to e-commerce businesses?*

E-commerce businesses are treated just like a brick-and-mortar store when it comes to licence and permit, which means – licence / permit requirements are not needed for a business entity to participate in e-commerce. However, specific rules may apply in the case of certain product categories but these rules apply to all sales channels. However, e-commerce businesses must have registered the business activity of distance selling in the commercial register.

3. *What e-commerce specific contracts must be concluded before starting an e-business?*

In today's competitive market, running an online store can broaden the overall range of products and services, but in order to do so, some specifics must be addressed prior to starting an e-commerce business.

- **Domain name and extension** - A suitable domain name and domain extension will recognize the brand in a way to transform brick and mortar to online. A good domain name is a valuable marketing and search tool that should successfully lead customers to the website. The most common domain extensions in BiH are: .ba, .com, .net, and .co.
- **Hosting services** - Web hosting is the process of renting or buying space to house a website on the internet and is the backbone of websites running in today's competitive business world online. There are four main types of web hosting in BiH: shared hosting, VPS (virtual private server) hosting, dedicated hosting and cloud hosting.
- **IT and Creative services** – IT services enable business entities in the creation, management and optimisation of the e-commerce website. This also includes designing the ordering process which is the time a customer places an order online, right through to fulfilling that order and delivering the product to the customer. The whole process needs to be smooth, fast and simple and in order to achieve this, the e-commerce business needs to ensure quality IT services.
Creative services will further develop the e-commerce website and help attract and retain customers on the website. Creative services develop and design applications and functionalities such as invoicing, accounting, marketing tools and customer relationship management.
- **Mobile e-commerce** - Mobile e-commerce makes up a significant proportion of Bosnia and Herzegovina e-commerce market and ecommerce merchants should bear this in mind when setting up their online stores. Mobile optimisation and mobile buying must be core to the e-commerce strategy.
- **Logistics** – Providing or delivering products on time has always been a challenge in e-commerce but with perfecting the logistics, it can be made possible. The logistics processes include inventory management, warehousing and storage and order fulfilment (picking, packing and shipping orders).

A new alternative to the traditional logistic process is dropshipping. Dropshipping is a retail fulfilment method where a store doesn't keep the products it sells in stock. Instead, when a store sells a product using the dropshipping model, it purchases the item from a third party and has it shipped directly to the customer.

Generally, e-commerce business must have an adequate warehouse, unless they are only performing sales through dropshipping.

- **Payments** – In order to operate a fully functional ecommerce website, an e-commerce merchant needs to be able to accept payments from customers. It's important to provide the (potential) customers with payment methods of their preference. Not supporting common payment methods in a given market will immediately exclude a certain proportion of that market. The top online payment methods in BiH include mobile payment, credit cards and e-wallets.

5. Are there specific restrictions that impact on the selection of products offered for online purchase?

E-commerce is not expressly regulated in Bosnia and Herzegovina, and is generally covered by the laws on internal trade and laws on consumer protection. Therefore, there are no specific restrictions that impact the selection of products offered for online purchase, other than general restrictions on sale which may potentially exist for some products that apply to all sales channels. In this regard, there is generally no difference between e-commerce and brick-and-mortar sales.

III. Legal design – ABC of the online store website interface

1. Defining the audience: does the business need to decide upfront if the ecommerce website addresses consumers and/or professionals?

This is not legally prescribed, and thus a business could sell to both consumers (B2C) and professionals (B2B). In case the business performs B2B sales (wholesale), this should be registered in the commercial register when registering the e-commerce company.

According to the applicable laws in BiH, if the e-commerce website is a B2C website, all consumer rights that also apply to brick-and-mortar sale are to be fulfilled (e.g. product returns, liability for defective goods, etc.). If the website is a B2B website (e.g., sale to professionals only) – consumer regulations will not apply.

Therefore, the distinction between B2B and B2C e-commerce websites/apps should be made so that there is no confusion for consumers.

2. What are the mandatory elements of an e-commerce business website?

Companies wishing to establish an ecommerce business in BiH must comply with certain rules according with the BiH applicable laws. Even though there is a certain level of freedom, the website must notify customers of a series of important aspects:

- **General information** – The e-commerce website is obliged to contain general information about the business entity/e-commerce merchant (e.g. name or business name, place and address of its registered premise, contact information, registration number, name of registration court, VAT number, information about regulator (if it is subject to regulation), information on professional association it is a part of (e.g., for regulated professions). An online store must provide unambiguous information so that the average user can be fully protected from any form of fraud. The website should contain prominent rules on pricing, terms of sale and other important information for users.
- **Pre-contractual information** – The e-commerce website must contain contractual provisions, product information and T&Cs which must be available to the customer, so that he can preserve and reproduce them.
- **Data protection information** – The e-commerce website must contain information in which it is stated that the customer data will not be disclosed to a third party, nor to a party acting as a legal or natural person within the same group of companies (concern) to which the business entity belongs, unless the customer approves in writing.

- **Withdrawal period information** – Customers are entitled to withdraw from a contract made online (distance selling) within fifteen days of the date of its conclusion, without giving any reasons. In case of withdrawal, the customer reimburses only the cost of returning the product. The seller must inform consumers of their right to do this. If the seller does not inform the customer about this right, the customer may withdraw from the contract within 3 months of the delivery of the product.

3. Is it mandatory that the website information be provided in the local language?

If active sales are intended for the territory of Bosnia and Herzegovina, then generally the website should be in one of the official languages of Bosnia and Herzegovina. Products intended for customers (active sales) in BiH must have a declaration in accordance with the law, technical and other regulations, or standards, written in one of the languages in official use in Bosnia and Herzegovina. However, there is no obligation for foreign e-commerce platforms to provide the documentation in the local language.

In B2B relations, there is generally no obligation for the website information to be provided in local language. The e-commerce website and communication may be in a foreign language.

4. What are the legal requirements for publishing customer reviews?

This is not regulated for e-commerce stores in Bosnia and Herzegovina.

5. What elements of the store interface could be considered as dark patterns?

This is not regulated for e-commerce stores in Bosnia and Herzegovina.

IV. Marketing & promotions

1. What are the key requirements for announcing and running price promotions?

There are no specific rules for e-commerce price promotions, and the general consumer protection rules would apply. Products on sale (promotion) must be clearly marked with the old price before the promotion and the new price. If the price reduction is expressed as a range (e.g., 20-50%), the highest percentage number of the sale must refer to at least one fifth (1/5) of all products on sale. If products are on sale due to impending expiry of the expiration date, the expiration date must be clearly marked. If products are on sale because they contain a defect, they must be clearly marked. Prices must be clearly visible in the official currency of Bosnia and Herzegovina, with all taxes. Promotions may not be misleading to consumers and must be in accordance with good business customs.

2. Is explicit consent required for marketing communications?

The Law on Protection of Personal Data specifies a general opt-out regime for direct marketing. It makes no differentiation between different forms of direct marketing (e-mail, regular mail, and phone).

Data subjects have the right to: oppose to the data controller's future use or transfer of their personal data for the purpose of direct marketing; be notified before their personal data is transferred for the first time to a third party for direct marketing purposes.

3. What types of promotion activities are under the special scrutiny of local authorities?

No information is available on this. Generally, the local authorities do not especially scrutinize promotional activities, unless they receive specific complaints.

V. Other key considerations for running e-commerce

1. *Do special rules apply to product returns and defective goods?*

In regards to product returns, please refer to the answer under question number III.2 (withdrawal period information).

In regards to defective goods the same rules apply to brick-and-mortar sales and online sales.

2. *What are the main competition risks in online selling?*

As a rule, BiH competition law is substantively equal to and modelled after the EU Competition rules, although it may lag behind some recent developments. The general approach is that, in principle, every distributor must be allowed to use the Internet to sell products and must not be restricted in doing so, unless there are compelling reasons (e.g. health and safety concerns assessed always on a case-by-case basis). However, manufacturers are permitted to impose quality standards for online distribution in certain justified circumstances of selective distribution systems. Also, as in other distribution channels, suppliers are not permitted to control resale prices.

What is important is that the current BiH rules covering the vertical aspect of online sales (supplier-distributor) have been adopted in 2006 and are based on the EU legislative framework from 1999, i.e. the Commission Regulation (EC) No 2790/1999 of 22 December 1999 on the application of Article 81(3) of the Treaty to categories of vertical agreements and concerted practices.

3. *Are there specific legal considerations relevant to the financial services provided to e-store customers (e.g. payment processing services)?*

There are no specific legal considerations relevant for the financial services provided to the e-store customers.

VI. Legal enforcement in e-commerce

1. *What relevant authorities are responsible for legal enforcement with regard to e-commerce businesses?*

In Bosnia and Herzegovina there is no specialized authorities responsible for legal enforcement in relation to e-commerce businesses. Enforcement of rules for general trade can be performed by the relevant market inspections in BiH, and also other authorities depending on the type of goods/services.

However, with regards to consumer protection (which also applies for e-commerce), the key authority is the Ombudsman for Consumer Protection in Bosnia and Herzegovina. The Ombudsman for Consumer Protection is an independent institution established with the aim of promoting good and efficient implementation of consumer protection policy in Bosnia and Herzegovina.

With regards to data protection, the body responsible is the Personal Data Protection Agency which is an independent administrative organization established for the purpose of ensuring the protection of personal data.

2. *What is the landscape for private enforcement of consumer rights in the context of e-commerce?*

There are no special procedures for private enforcement of consumer rights in the context of e-commerce in Bosnia and Herzegovina.

Generally, consumers can request protection from the BiH Ombudsman for Consumer Protection. Other consumer protection bodies may also exist depending on the types of goods/Services provided (e.g., telecommunications, financial services).

In addition, consumers may seek to enforce their rights before a civil court, either individually or alongside several claimants.

A special procedure for claims for protection of collective interests also exists, whereby associations, bodies, institutions or other organisations established in accordance with the law, which, as part of their registered or regulated activity, protect the statutory collective interests and rights of citizens, may, when such authorisation is expressly provided by a special law and under the conditions provided by law, file a lawsuit (claim for the protection of collective interests and rights) against a natural or legal person who, by performing a certain activity or work in general, acts, including omission, seriously violates or seriously endangers such collective interests and rights. The interests may be interests related to the human environment and the environment, then moral, ethnic, consumer, anti-discrimination and other interests guaranteed by law and which must be seriously violated or seriously endangered by the activity or treatment of persons against which the lawsuit is filed.

VII. Upcoming changes in e-commerce

1. Are there legal developments on the horizon of relevance to e-commerce businesses?

As e-commerce in Bosnia and Herzegovina is growing, so is the need for legal developments. Some of the legal developments on the horizon with relevance for the e-commerce businesses are:

- **Adoption of a specific Law on E-commerce** – BiH is the only country in the region which still does not have a major law regulating e-commerce. According to publicly available information the draft on the Law on E-commerce of the Federation of Bosnia and Herzegovina (one territorial and administrative part of Bosnia and Herzegovina) has been prepared and should be adopted in the near future.
- **The Law on Protection of Personal Data BiH** – The Law on Protection of Personal Data ('Official Gazette of BiH', nos. 49/06, 76/11 and 89/11) is the governing law regulating data protection issues in Bosnia and Herzegovina. As part of its effort to join the EU, BiH is obliged to harmonise its legislation with EU legislation. This includes the GDPR. Due to the deficiencies and non-alignment of the Law with the GDPR, the adoption of the new Law is expected in the future.

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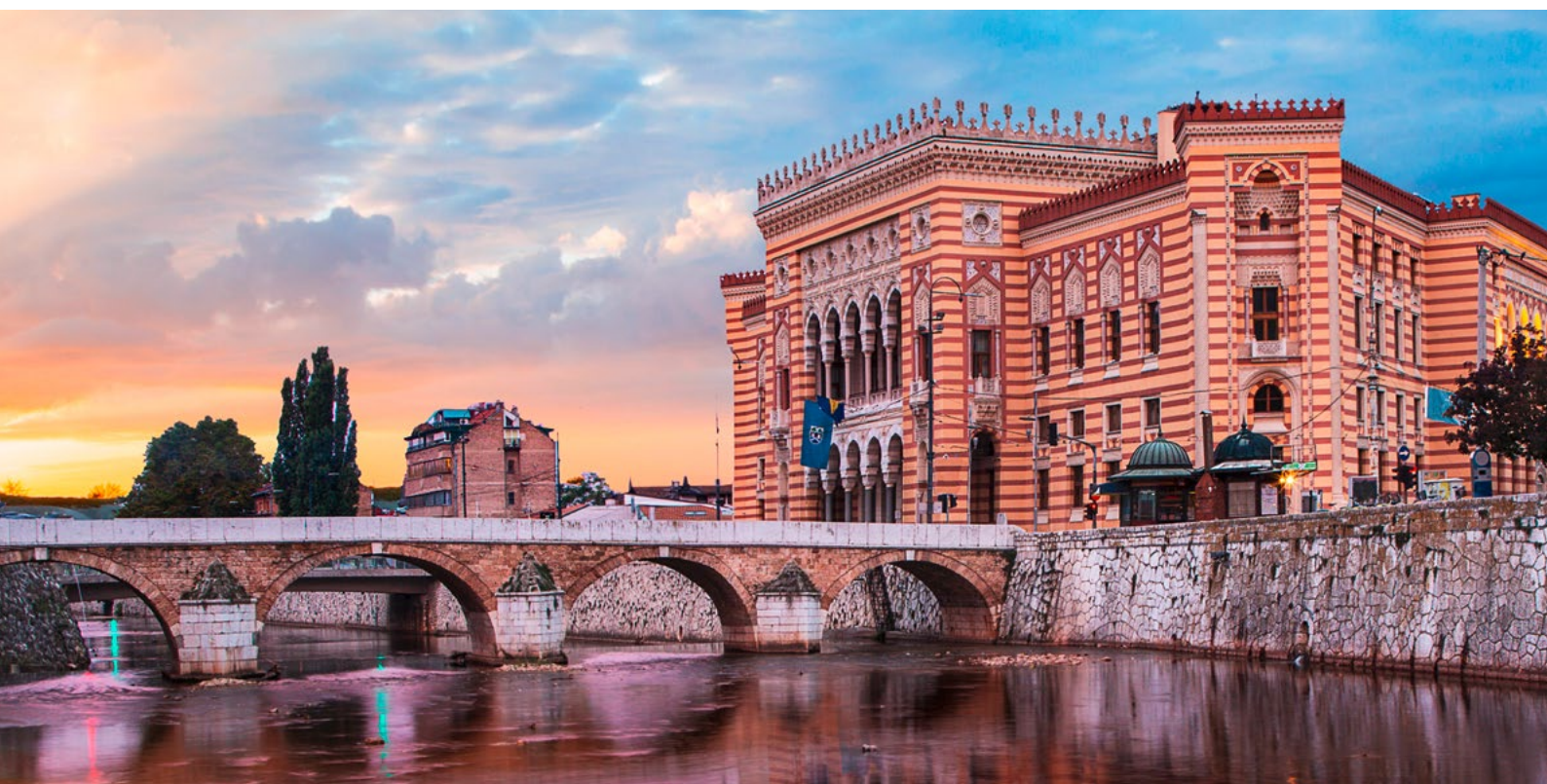


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Bulgaria

I. E-commerce sector – fact and figures

1. Recent growth and trends in e-commerce

According to the latest data from the Bulgarian E-commerce Association (BEA), the market volume has doubled in four years. Bulgaria has set a record for internet sales in 2023, which has reached around EUR 2 billion, which is 19% more compared to 2022. It is expected that e-commerce will reach a share of 2,34% of Bulgaria's GDP in 2024.

While many customers are hesitant to online payments, according to a 2022 survey of the BEA covering 4,5 million orders, 60% of the purchases were made with cash on delivery.

II. Setting-up e-commerce business

1. Is the established local presence of a foreign company required to start selling online?

There is no general requirement that prevents foreign companies from conducting e-commerce business in Bulgaria. There is no need for a business entity to establish a local presence: products and/or services may be sold from abroad. However, foreign entities wishing to sell their goods/services online in Bulgaria may undertake such activity through a subsidiary or a local branch. Selling from abroad may require tax registration even without an established presence.

It is important to note that where the law of a Member State of the European Union is applicable to the distance contract, the consumers may not waive the rights conferred on them by the Bulgarian Consumer Protection Act. The consumers will also not lose the protection granted by the consumer protection legislation of a Member State, transposing the requirements of Directive 2011/83/EU where the distance contract is closely related with the territory of that Member State. The contract is closely linked to the Member State for instance where the trader directs their commercial activities to the territory of a Member State; (e.g. the website offers the respective Member State language version, or advertising or marketing is directed to consumers in the Member State).

2. Are there any licence/permit requirements applicable to e-commerce businesses?

In general, Bulgarian law allows business entities to freely participate in e-commerce business. Starting such activity does not involve any additional obligations in terms of licencing requirements as compared to traditional retail activity. In practice, there is no need to obtain any licence or permit to run an online store.

Specific rules may apply in the case of certain product categories, including an obligation to obtain a relevant authorisation (e.g. in the case of foodstuffs) or licence. However, these are product-specific requirements and apply to all sales channels. It is expressly prohibited to offer and sell medicinal products available on medical prescription by means of distance contracts.

3. What e-commerce specific contracts must be concluded before starting an e-business?

Apart from the number of supply and logistic contracts in place, there are some specifics for setting up an own e-commerce platform that must be addressed.

- **Hosting services:** Hosting services may be acquired as cloud servers, shared webhosting, virtual private servers and dedicated servers.
- **IT-related services:** A smooth ordering process is one of the key elements of creating a good customer experience. In order to achieve this, the e-commerce business has to ensure an appropriate level of IT services.
- **Creative services:** Sourcing creative services is required to set up a website, including both design and experience. In order to achieve this, the e-commerce business has to ensure an appropriate level of IT services.
- **Logistics:** Logistics is the backbone of a successful e-commerce business. The logistics processes include in particular product sourcing, stock (inventory) management, order management, packaging, and delivery, as well as management of (and sometimes picking up) product returns. Companies may also conclude contracts with payment service providers.

E-commerce logistics may also be outsourced to a third-party logistics provider. A new alternative to the traditional logistics chain is drop shipping. In this model the e-commerce entity forwards customers' orders to another company, which fulfils the orders by shipping the items directly to the customer on behalf of the e-commerce entity.

- **Payments:** Agreement on processing online payments would be required. Cash on delivery remains a popular payment method. However, a wide array of electronic and non-cash payments are also available to e-commerce businesses. These include payments by various types of credit and debit cards, quick online transfers, electronic wallets, mobile money, and alternative currency payment processors.

4. Are there specific restrictions that impact on the selection of products offered for online purchase?

These may be product-specific restrictions that apply in all sales channels – such as general foodstuff production and sales regulation. It is expressly prohibited to offer and sell medicinal products available on medical prescription by means of distance contracts.

It is important to consider all the requirements in place concerning the online sale of the particular products.

III. Legal design – ABC of the online store website interface

1. Defining the audience: does the business need to decide upfront if the ecommerce website addresses consumers and/or professionals?

If the e-commerce website is directed to consumers, the key is to ensure that all consumer rights are observed. As per the Bulgarian Consumer Protection Act (CPA) the consumers are natural persons who acquire products or use services for purposes that do not fall within their commercial or professional activity, and any natural persons who, as a party to a contract under the CPA, act outside their commercial or professional activity.

There are significant differences as compared to B2B relations.

In particular the CPA contains specific requirements on the information that must be provided to the consumer before the consumer is bound by a distance contract. The information must be provided in Bulgarian, in a clear and comprehensible manner. Such information includes:

- (i) the main characteristics of the goods or services, to the extent appropriate to the medium and to the goods or services;
- (ii) the name of the trader;
- (iii) the registered head office and address of the trader; its telephone number and e-mail address; where the trader provides other means of online communication which ensure that the consumer can store on a durable medium any written correspondence with the trader, including the date and time of that correspondence, the information shall also contain a detailed description of those other means; the means of communication provided by the trader must enable the consumer to contact the trader quickly and to communicate effects;
- (iv) the total price of the goods or services inclusive of taxes, or where the nature of the goods or services is such that the price cannot reasonably be calculated in advance, the manner in which the price is to be calculated, as well as, information on all additional freight, delivery or postal charges and any other costs; the distance communication cost for the conclusion of the contract where that cost is calculated other than at the basic rate;
- (v) the arrangements for payment, delivery, performance, the trader's complaint handling policy;
- (vi) the conditions, time limit and procedures for exercising that right of withdrawal and the conditions on bearing the withdrawal costs, as well as the model withdrawal form;
- (vii) a reminder of the existence of a legal guarantee of conformity for goods, digital content and digital services;
- (viii) where applicable, the existence and the conditions of after sale customer assistance or services and commercial guarantees;
- (ix) where applicable, the existence of relevant codes of conduct, where such codes are available and how copies of them can be obtained;
- (x) duration of the contract, where applicable, if the contract is of indeterminate duration or is to be extended automatically, the conditions for terminating the contract;
- (xi) where applicable, the minimum duration of the consumer's obligations under the contract;
- (xii) where applicable, the existence and the conditions of deposits or other financial guarantees to be paid or provided by the consumer at the request of the trader;
- (xiii) where applicable, the functionality of the goods containing digital items, digital content and digital services, including applicable technical protection measures;;
- (xiv) where applicable, any relevant compatibility and interoperability of the goods containing digital items, the digital content and the digital services with certain types of hardware and software known or reasonably expected to be known to the trader;
- (xv) where applicable, the possibility of having recourse to an out-of-court complaint and redress mechanism, to which the trader is subject, and the methods for having access to it;
- (xvi) where applicable, indicate that the price has been individualised on the basis of automated decision-making.

The information referred is an integral part of the distance contract and may not be altered unless both parties expressly agree.

Additional information shall be provided to the consumer prior to being bound by the distance contract or an offer to conclude a contract through an online marketplace, in a clear and comprehensible manner and in a form appropriate to the means of distance communication. 'Online marketplace' means a service using software, including a website, part of a website or an application, operated by or on behalf of a trader which allows consumers to conclude distance contracts with other traders or consumers. The information shall include:

- (i) general information on the main parameters determining the ranking of the proposals made to users in response to their search, as well as their relative importance compared to other parameters; the information is provided in a dedicated section of the online interface, which can be directly and easily accessed from the page where the proposals are presented;
- (ii) whether the third party offering the goods, services or digital content is a trader or not, based on a declaration by the third party to the provider of the online marketplace;

- (iii) notification that the consumers do not have rights under the CPA and other laws implementing requirements of European Union consumer protection law where the third party offering the goods, services or digital content is not a trader; and
- (iv) the allocation of contractual obligations between the third party offering the goods, services or digital content and the provider of the online marketplace, if applicable.

For all distant contracts, certain specific information must be displayed just before consumer clicks the **'buy' button**. Such information will refer in a clear way to the characteristics of the goods or services, pricing and costs, the contract term and termination. The trader must ensure that the consumer, when placing their order, explicitly acknowledges that the order implies an obligation to pay. The button for placing an order must be labelled with the words *'Order with obligation to pay'* or similar wording, clearly indicating that placing the order entails an obligation to pay the trader.

It is also crucial that all consumer rights be observed before and after concluding a contract (e.g. with regard to product returns, liability for defective goods, etc.).

On the other hand, if a website is dedicated to businesses only (e.g. sale of equipment to professionals only) – consumer regulations will not apply, but in such case, it should be ensured that an online store is accessible to professionals only. Please refer to Section III.2. below.

2. What are the mandatory elements of an e-commerce business website?

Bulgarian legislation imposes certain obligations that translate into mandatory elements of an e-commerce website, which apply to both business and consumer directed websites.

- **Providing services by electronic means:** Each e-commerce website needs to have General Terms and Conditions for electronically supplied services. Such services not only make it possible to make purchases via the website, but also display the website's content, enabling the customer to create and use the account and all the other features of the website. According to the Bulgarian Electronic Commerce Act, the provider of services via electronic means shall provide the recipient of the service with the terms and conditions and the content of the contract in a way that allows their storage and reproduction.
- **Information obligation:** Based on the Electronic Commerce Act, the trader, in the capacity of information society services provider, will have to render easily and directly accessible to the recipients of the service at least the information on (i) its name; (ii) registered head office and registered address or, if different from the registered address, the address of its place of business; (iii) contact details, including phone number and e-mail address, for direct and timely communication; (iv) information on the registration in a commercial or similar public register, as well as VAT registration (if applicable); (v) prices, whether they are inclusive of tax, and delivery costs; (vi) relevant regulatory body where the activity is subject to a notification, permission or licence and other information required by law.
- **When proposing to conclude a contract by electronic means, the service provider shall inform the recipient of the service in advance in a clear, comprehensible and unambiguous manner of:** (i) the technical steps involved in the conclusion of the contract and their legal significance; (ii) whether the contract will be stored by the service provider and how it can be accessed; (iii) the technical means of detecting and correcting errors in the input of information before the contract statement is made; (iv) the languages in which the contract may be concluded; (v) the manner of access by electronic means to a code of conduct to which it adheres (if applicable).
- **Cookies:** If an e-commerce website uses cookies or similar technologies, it must fulfil information obligations and obtain consent for use of cookies (except for strictly necessary cookies) or similar technologies. Creating a cookie policy is the most common way to provide all required information.
- **Privacy:** E-commerce website must fulfil information obligation under the GDPR and ensure that processing of personal data is compliant with the GDPR rules, e.g. that processing is based on a relevant legal basis. Creating a privacy policy is the most common way to provide all required information. It should be easily available and visible on the website.
- **Product information:** As indicated above, the law provides requirements for certain products as to what information must be provided (displayed) before the customer makes the purchase. The scope of information on the product may vary, depending on the product category. The product page should be construed in a way that reflects the legal requirements applicable to a specific category. For example, for food products it would be required to display (among others) a list of the ingredients, whereas for electronics it is required to display (among others) the energy efficiency class.

3. *Is it mandatory that the website information be provided in the local language?*

The information provided to consumers must be in Bulgarian language. This obligation is set forth in the CPA and concerns all documents and information that are mandatory. In practice, a consumer-website addressed to Bulgarian consumers would need to be mostly in Bulgarian. The aftersales service should also be available in Bulgarian.

In B2B relations, there is no analogical obligation. Website and communication may be in a foreign language.

4. *What are the legal requirements for publishing customer reviews?*

It is not mandatory to publish consumer reviews in websites directed to businesses or consumers. However, in consumer context, where a trader provides access to consumer reviews of a product, the trader shall provide information on whether the trader ensures that the product reviews published are those of consumers who have actually purchased the product and, if so, on how the authenticity of consumer reviews is verified. The trader shall provide clear information to consumers on how consumer reviews are handled, indicating whether all reviews are published, whether they are positive or negative, whether they have been sponsored or whether they have been influenced by a commercial relation with the trader. The information enabling ascertaining whether and how the trader ensures that the published product reviews are of consumers who have actually used or purchased the product shall be considered essential.

The following practices shall be considered misleading practices as a form of unfair commercial practices:

- Claiming that product reviews are submitted by consumers who have actually used or purchased the product without taking reasonable and proportionate steps to verify that the reviews are made by those consumers;
- Providing false consumer reviews or recommendations or commissioning another natural or legal person to provide false consumer reviews or recommendations or to falsify consumer reviews or public recommendations in order to promote the sale of products.

5. *What elements of the store interface could be considered as dark patterns?*

Dark patterns are not explicitly regulated by the law but might still be considered unfair commercial practices, violation of data privacy or other forms of violations of the law.

Examples of elements that can be considered dark patterns are: (i) countdown timers; (ii) hidden information; (iii) nagging; (iv) subscription traps; (v) forced registration and privacy intrusions; (vi) cancellation hurdles.

IV. Marketing & promotions

1. *What are the key requirements for announcing and running price promotions?*

Requirements exist in consumer context.

When offering goods with reduced prices, the seller is obliged to provide specially indicated places for these goods and to inform the consumers in advance in an appropriate manner of the promotion.

Any price reduction announcement must state: (i) the goods and services or group of goods and services for which the price reduction is valid; (ii) the conditions under which the price reduction is made; (iii) the period during which the goods and services are sold at the reduced prices.

The seller must clearly display the new price by placing it next to the previous price, indicating the percentage of reduction or using the words "*new price*" and "*previous price*". Each promotion notice must state the previous applied price applied.

Normally, the price reduction notice may not be applied for a period longer than one month and shorter than one working day. Exceptions are possible in specific cases, such as a complete or partial sale of stock.

2. Is explicit consent required for marketing communications?

The marketing communications that present directly or indirectly the goods, services or image of the trader constitute commercial communications. Sending unsolicited commercial communications to consumers requires the prior consent (opt-in) of the consumer. Marketing opt-in should meet the GDPR-consent standard. This means that such consent should be freely given, specific, informed, and unambiguous statement or clear affirmative action.

An exception to this opt-in rule applies where electronic contact data is received in a commercial transaction for the provision of products or services. Such contact data may be used to send a marketing communications for the trader's own similar products or services, provided that the consumer can free of charge and in an easy way: (i) express dissent at the time of the transaction; (ii) opt-out of receiving future such communications where this is not done at the time of the transaction.

Where the consumer withdraws consent for direct marketing or objects to processing for direct marketing purposes, the personal data must no longer be processed for such purposes.

Businesses may be addressed by marketing communication without specific consent, provided that the email address is not included in the electronic register of the e-mail addresses of the legal persons that do not wish to receive unsolicited commercial communications (opt-out register). This register is maintained by the Bulgarian Commission for Consumer Protection.

3. What types of promotion activities are under the special scrutiny of local authorities?

Compliance with the requirements on reducing prices, marketing communications and others are controlled by the Bulgarian Commission for Consumer Protection.

Unfair commercial practices can be declared invalid by the court. They are in the scrutiny of the Commission for Consumer Protection if they represent 'widespread infringements' or 'widespread infringement with a Union dimension'. 'Widespread infringements' are any act or omission contrary to Union laws that protect consumers' interests that has done, does or is likely to do harm to the collective interests of consumers residing in at least two Member States other than the Member State in which: (i) the act or omission originated or took place; (ii) the trader responsible for the act or omission is established; or (iii) evidence or assets of the trader pertaining to the act or omission are to be found; or (b) any acts or omissions contrary to Union laws that protect consumers interests that have done, do or are likely to do harm to the collective interests of consumers and that have common features, including the same unlawful practice, the same interest being infringed and that are occurring concurrently, committed by the same trader, in at least three Member States. 'Widespread infringement with a Union dimension' is widespread infringement that has done, does or is likely to do harm to the collective interests of consumers in at least two-thirds of the Member States, accounting, together, for at least two-thirds of the population of the Union.

Practices like misleading advertising, unpermitted comparative advertising, unfair soliciting of customers in various forms are considered unfair competition and are under the scrutiny of the Bulgarian Competition Protection Commission.

V. Other key considerations for running e-commerce

1. Do special rules apply to product returns and defective goods?

The consumer protection legislation in Bulgaria is aligned with the EU requirements.

As a rule – consumers are entitled to withdraw from a distance contract without giving any reason within fourteen days from: (i) the date of the conclusion of the contract for provision of services; (ii) in the case of sales contracts, the day on which the consumer/ or a third party indicated by the consumer/ acquires physical possession of the goods. The traders must inform consumers of their right of withdrawal, the conditions, time limit and procedures for exercising that right before the consumer is bound by the distance contract. If the trader has not provided the consumer with the relevant information on the right of withdrawal, the withdrawal period expires one year from the end of the initial withdrawal period. The consumer bears the direct cost of returning the goods unless the trader has agreed to bear them or unless the trader has failed to inform the consumer that the consumer must bear such costs.

The provisions related to legal guarantee and the commercial guarantees undertaken by the trader or the producer to the consumer, apply to both traditional and online sales. Products and services must be in conformity with the the agreement and the objective requirements for conformity. The statutory guarantee is two years. Any non-conformity occurring within one year after delivery of the goods shall be presumed to have existed at the time of delivery, unless the contrary is proved, or unless such presumption is incompatible with the nature of the goods or with the nature of the non-conformity.

Specific rules are at place for digital content or a digital services. The trader is obliged to provide the consumer with digital content or a digital service that meets the individual contractual compliance requirements, the objective compliance requirements and the requirements for integrating the digital content or digital service into the consumer's digital environment. Specific statutory requirements for conformity with the contract and the objective requirements exist. In the event of a discrepancy in the digital content or digital service, the user has the right to: (i) make a complaint by asking the trader to bring the digital content or digital service into conformity; (ii) receive a proportionate price reduction; or (iii) terminate the contract under the conditions provided for in the law.

2. What are the main competition risks in online selling?

As a rule, Bulgarian competition law mirrors EU legislation. Every distributor is allowed to use the Internet to sell products and must not be restricted in doing so, unless there are compelling reasons (e.g. health and safety concerns assessed always on a case-by-case basis). However, manufacturers are permitted to impose quality standards for online distribution in certain justified circumstances of selective distribution systems. Also, as in other distribution channels, suppliers are not permitted to impose resale prices.

The current competition rules, applicable in Bulgaria, covering the vertical aspect of online sales (supplier-distributor) are aligned with Directive (EU) 2019/633 of the European Parliament and of the Council of 17 April 2019 on unfair trading practices in business-to-business relationships in the agricultural and food supply chain.

3. Are there specific legal considerations relevant to the financial services provided to e-store customers (e.g. payment processing services)?

Generally, regular e-commerce stores do not fall under financial services regulations. The distance marketing of financial services act stipulates the requirements to distant marketing of financial services and in particular on the distance contracts, the provision of information to the consumers, the right of withdrawal and commercial communications.

The processing of customer payments constitutes a regulated activity.

VI. Legal enforcement in e-commerce

1. What relevant authorities are responsible for legal enforcement with regard to e-commerce businesses?

In Bulgaria, there is no authority specializing solely in e-commerce. As in the case of brick-and-mortar sales, the relevant authority is the Bulgarian Commission for Consumer Protection (CPC) for public enforcement of consumer rights. CPC monitors and controls the compliance of the e-commerce businesses with the provisions of the Bulgarian Electronic Commerce Act, the Consumer Protection Act and the Supply of Digital Content and Digital Services and the Sale of Goods Act. With regard to the general safety of products and services, CPC is the controlling authority in respect of safety of non-food products and of services. The authority responsible for the safety of food products as per the CPA and the Foodstuff Act is the Bulgarian Food Safety Agency (BFSA).

The safety of cosmetic products is monitored and controlled by the Minister of Health and the State Health Control authorities. Market surveillances authorities are set forth also in the Technical Requirements for Products Act in respect of different categories of products falling within the scope of the Act.

With regard to personal data protection issues, the Commission for Personal Data Protection (CPDP) is the authority entitled to provide expert advice and issue opinions on data protection, as well as to enforce and issue fines for non-compliance with data protection law.

As mentioned above, practices like misleading advertising, unpermitted comparative advertising, unfair soliciting of customers in various forms are controlled by the Bulgarian Competition Protection Commission.

2. *What is the landscape for private enforcement of consumer rights in the context of e-commerce?*

In Bulgaria, consumers may seek to enforce their rights before a civil court, either individually or by a class action. In Bulgaria, a significant role in the private enforcement of consumer rights is played by consumer organisations. The most active consumer organisations in Bulgaria is the Bulgarian National Association Active Consumers.

Note that the Arbitration clauses for solving disputes with consumers are void.

The alternative dispute resolution (ADR) in Bulgaria is regulated by the CPA. The resolution of an ADR entity of a dispute between a consumer and a trader will be binding if the parties were informed of its binding nature in advance and specifically accepted this. Specific acceptance by the trader is not required if the rules of procedure of the ADR entity provide that solutions are binding on traders. The Minister of Economy is the competent authority for the recognition of ADR entities and lists such ADR in a publicly available act of the Minister of Economy. The CCP carries out alternative dispute resolution activities for consumer disputes through conciliation committees.

All online traders must provide on their websites a link to the Online Dispute Resolution platform of the European Commission.

VII. Upcoming changes in e-commerce

1. *Are there legal developments on the horizon of relevance to e-commerce businesses?*

The legal developments relevant for e-commerce business in Bulgaria derive mostly from changes at EU level.

On October 3, 2024, the European Commission published a report evaluating the effectiveness of existing EU consumer protection laws in protecting consumers in the digital space. The report found that the existing EU consumer laws are not sufficiently effective in tackling current and emerging consumer harms in the digital environment. The report will support the European Commission's intention to start working a new EU consumer law called the "Digital Fairness Act", which will: tackle new consumer risks in the digital space, such as dark patterns, addictive design and gaming, influencer marketing, personalization (of ads, rankings, recommendations and pricing/offers), contract cancellation, automated contracts in the context of connected devices, digital subscriptions, and generative AI systems (e.g., AI chatbots) and emotion-recognition AI systems; provide for a greater degree of harmonization, further reducing differences in consumer laws at Member State level; and ensure better enforcement, for example through the use of automated enforcement tools (e.g., automated market sweep tools), by strengthening the powers of consumer authorities to undertake joint enforcement actions, and by ensuring an increase in national and CJEU case law on consumer law in the digital environment. Proposal is expected in the coming years.

At local level, transposing of Directive (EU) 2020/1828 of the European Parliament and of the Council of 25 November 2020 on representative actions for the protection of the collective interests of consumers and repealing Directive 2009/22/EC, is expected soon.

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Czech Republic

I. E-commerce sector – fact and figures

1. Recent growth and trends in e-commerce

In 2023, the total turnover of Czech e-commerce reached CZK 185 billion (approx. EUR 7.4 billion), continuing the slightly declining trend since 2021. However, the latest statistics suggest that the situation is turning around. The e-commerce market is becoming increasingly more active and is expected to grow. This is confirmed by 2% growth in the last quarter of 2023, 4% growth in the first quarter of 2024, and 3% growth in the second quarter of 2024.

The Czech Republic remains one of the leaders in e-commerce in the CEE region, with 84% of Czech internet users making domestic online purchases. People in the Czech Republic are used to online shopping and did not stop in 2023 or 2024; however, in 2023 they focused on cheaper and discounted goods.

There are currently almost 50,000 e-shops in the Czech Republic. As reported by the Czech Association for Electronic Commerce, e-shops were successful in overcoming the difficult situation of recent years. Their number dropped by only 200 compared to 2022.

While electronics (mainly mobile phones) are still the dominant commodity in the e-commerce market, people also often buy household & garden products, large appliances, sports equipment, and cosmetics & health products.

In the second quarter of 2024, due to the increasing energy prices, there was an extreme jump in the sales of solar and photovoltaic components which registered an increase of 393%, and in the sale of electric motorcycles which registered an increase of 382%. The unusually hot weather also caused significant increase of sales in air-conditioning devices which registered an increase of 112%.

II. Setting-up e-commerce business

1. *Is the established local presence of a foreign company required to start selling online?*

If a foreign company has its registered seat in another EU Member State, online sales can be offered without establishing a local presence in the Czech Republic.

If a foreign company does not have a registered seat in another EU Member State, online sales can be provided in the Czech Republic on a permanent basis only after establishing a local presence either via a subsidiary or a local branch.

We note that providing online sales from abroad may require tax registration even without an established presence.

2. *Are there any licence/permit requirements applicable to e-commerce businesses?*

To conduct business in the Czech Republic, an entity or an individual established in the Czech Republic needs a trade licence issued by the Trade Licensing Office (the “**TLO**”). In most cases, a simple notification to the TLO is all that is required to obtain a licence, and no other licence/permit is required to operate an e-commerce business.

However, there are certain specific products and services that require another licence from the TLO and in some cases also special authorisation from other authorities, irrespective of the sales channels.

3. *What e-commerce specific contracts must be concluded before starting an e-business?*

There are no specific contracts that must be concluded before starting an ecommerce business in the Czech Republic.

In general, and depending on the specific e-commerce business, providers usually conclude contracts related to:

- **Domain names:** The domain name serves as an address for the e-commerce business. A wide choice of domain extensions is available, both nationally (.cz) and internationally. International domain extensions are more suitable for cross-border activity (such as .eu or .com). It is also possible to offer goods and services via online marketplaces.
- **Hosting services:** Hosting services are required for the website and functioning of electronic communication. They may be acquired as cloud servers, shared webhosting, virtual private servers or dedicated servers.
- **IT-related services:** IT solutions are the core of the e-commerce business. These need to address operational requirements, system interconnectivity, as well as related cyber security requirements, and fulfil statutory requirements in the case of potential incidents and customer requests.
- **Accountancy services:** Accountancy services are needed to meet tax obligations in the Czech Republic and potentially in other territories in which the e-commerce business operates.
- **Creative services:** Creative services are needed to set up a website, including the design of various applications and functionalities, marketing tools and customer relationship management.
- **Logistics:** Logistics is the backbone of a successful e-commerce business. The logistics process includes product sourcing, stock (inventory) management, order management, packaging and delivery, as well as management (and in some cases collection) of product returns and take-back obligations.
- **Payments:** Cash on delivery remains a popular payment method in the Czech Republic. However, a wide array of electronic and non-cash payments is also available to e-commerce businesses. These include payments by various credit and debit cards, quick online transfers, electronic wallets, and alternative currency payment processors.

4. Are there specific restrictions that impact on the selection of products offered for online purchase?

Product selection is an important aspect of e-commerce business that needs to consider specific local and EU restrictions.

These may be product-specific restrictions that apply in all sales channels, such as the obligation to obtain a relevant authorisation in the case of foodstuffs, weapons and ammunition.

These may also be restrictions that apply to an online channel only, such as the prohibition of online sales of medicinal products for human use that are available on prescription only, or the obligation to ensure that sales to persons under 18 years old is excluded in the case of tobacco products, smoking aids, herbal smoking products, electronic cigarettes, and nicotine sachets without tobacco.

Thus, it is crucial to properly check all the requirements in place concerning online sales of these types of products.

III. Legal design – ABC of the online store website interface

1. Defining the audience: does the business need to decide upfront if the ecommerce website addresses consumers and/or professionals?

Yes. If the website is targeted at consumers (it allows consumers to conclude contracts via the website), all requirements stipulated under the Czech consumer protection regulation must be observed. These requirements influence the content of the website, customer journey and related functionalities, terms and conditions, and the language of the provided information.

On the other hand, if the website is targeted at entrepreneurs only (it does not allow consumers to conclude contracts via the website), the above requirements do not apply.

2. What are the mandatory elements of an e-commerce business website?

There are certain mandatory obligations on e-commerce websites. These differ depending on whether a website is directed at consumers or entrepreneurs.

Site feature	What is required?	How to comply?
Customer journey	In B2C contracts, Czech law provides certain requirements on the customer journey, particularly on the display of information to consumers.	Creating the design and functionality of the website in compliance with Czech law.
Information obligation	In B2C contracts, entrepreneurs are obliged to provide a range of information to consumers before and after the conclusion of the contract. Some of this information needs to be specifically displayed to the consumer before the consumer clicks on the “buy” button. In B2B contracts, specific information must also be displayed, although the scope of this obligation is much narrower.	Creating T&Cs in compliance with Czech law to provide all the mandatory information to consumers.
Products and Services Information	In addition to the general information obligation referred to above, Czech law provides certain specific requirements on information on certain specific products and services.	Creating the product page in compliance with Czech law for the specific products or services.

Cookies	If an e-commerce website uses cookies or similar technologies, it must fulfil information obligations and obtain consent for the use of cookies or similar technologies that are not necessary for the transmission of communications or the provision of information society services specifically requested by the subscriber or user.	Creating a cookie policy is the most common way to provide all of the required information. An opt-in for non-essential cookies or similar technologies is commonly obtained through cookie banners.
Privacy	Each e-commerce website must fulfil the information obligations prescribed under the GDPR and ensure that the processing of personal data on the website complies with GDPR rules.	Creating a privacy policy is the most common way to provide all of the required information. Such policy should be readily available and visible on the website.

3. Is it mandatory that the website information be provided in the local language?

In B2C relations, all communication with the consumer must be in the language in which the contract is concluded. However, the Czech consumer protection regulation also specifies certain information which must be always provided to consumers in Czech, including information on, e.g. the main feature of the products or services, use and maintenance of the products, the rights from defective performance, and the complains handling procedure.

In B2B relations, there is no such requirement and the website does not need to be in Czech.

4. What are the legal requirements for publishing customer reviews?

In B2C relations, Czech consumer protection regulation provides a clear obligation of traders to inform consumers about their review handling practices. This includes providing clear information on whether and how the seller ensures that the published reviews originate from consumers who have actually used or purchased the product

The following practices are prohibited under the Czech consumer protection regulation:

- stating that reviews of a product are submitted by customers who have actually used or purchased the product or service without taking reasonable and proportionate steps to check that they originate from such consumers;
- publishing false consumer reviews or recommendations or commissioning another person to provide such consumer reviews or recommendations;
- misrepresenting consumer reviews or recommendations on social media in order to promote a product or service.

In B2B relations, there is no such regulation.

5. What elements of the store interface could be considered as dark patterns?

Any design, organisation or operation of an online interface in a way that deceives or manipulates the recipients or in a way that otherwise materially distorts or impairs the ability of the customers to make free and informed decisions is be considered a dark pattern.

Dark patterns include, but are not limited to:

- exploitative design choices to direct the customer to actions that benefit the online store operator, but which may not be in the customers' interests;
- presenting choices in a non-neutral manner, such as giving more prominence to certain choices through visual, auditory, or other components;
- repeatedly requesting a customer to make a choice where such a choice has already been made;

- making the procedure of cancelling a service significantly more cumbersome than signing up to it;
- making certain choices more difficult or time-consuming than others;
- making it unreasonably difficult to discontinue purchases or to sign out from the online store
- deceiving the customers by nudging them into decisions on transactions;
- default settings that are very difficult to change, and so unreasonably bias the decision making of the customer, in a way that distorts and impairs their autonomy, decision-making and choice.

IV. Marketing & promotions

1. *What are the key requirements for announcing and running price promotions?*

In B2C relations, products in discounts, other than those prone to deteriorate or expire rapidly, must include not only information about the discounted price, but also about the lowest price of the products for which the seller offered and sold the products during the following periods:

- the 30-day period before the discount;
- the period when the goods were first offered until the moment the discount was provided, if the goods have been on the market for less than 30 days; or
- the 30-day period before the first provision of a discount in case of a progressive discount.

In B2B relations, there is no such regulation.

2. *Is explicit consent required for marketing communications?*

The rules differ based on the type of channel used for marketing communications.

Marketing communications by SMS or other electronic messages, as well as by phone (telemarketing) require the consumer's prior consent (opt-in).

Marketing communications by email generally require prior consent (opt-in). However, if an entrepreneur obtains a customer's email address during the sale of a product or service, the entrepreneur may use it to send the customer marketing communication relating to its own similar products or services. The customer must always have the option to unsubscribe from such communications in a clear and easily-accessible manner for free or on the account of the entrepreneur (opt-out). The marketing communication must be clearly marked as "marketing communication", the identity of the entrepreneur (sender) cannot be hidden, and it must contain an address/link allowing the customer to easily unsubscribe.

The consent should meet the GDPR-consent standard. This means that it should be a freely given, specific, informed and unambiguous statement or clear affirmative action.

Marketing communications by regular (postal) mail do not require prior consent; however, anyone can use a sign "no commercial communication" or similar on their post box and the delivery of any such communication is then prohibited (opt-out).

3. *What types of promotion activities are under the special scrutiny of local authorities?*

Recently, the Czech Trade Inspection Authority has intensified its scrutiny on how discount percentages are displayed. Traders challenged what should be considered as the base for the calculation of the percentage discount, specifically whether it should be the lowest price in the last 30 days or the original price. The Czech Trade Inspection Authority issued multiple fines for violations of Section 12a of the Czech Consumer Protection Act (Act No. 634/1992 Coll.) to those using the original price for calculations.

Several legal actions have been brought to administrative courts against these decisions. The future outcomes of these actions are likely to align with the recent ruling of the Court of Justice of the European Union in case C-330/23 Aldi Süd where the court ruled that any advertised price reduction must be based on the lowest price from the last 30 days.

V. Other key considerations for running e-commerce

1. Do special rules apply to product returns and defective goods?

In relation to defects, the same rules on the on liability from defective performance applies to the sales in brick-and-mortar stores and e-shops.

In B2C relations, consumers who buy a product or service online are generally entitled to withdraw from the contract within 14 days. Consumers may withdraw from the contract without giving a reason. Entrepreneurs are obliged to inform consumers of their right to do so. If entrepreneurs fail to inform consumers of this right, consumers may withdraw from the contract within 12 months. The periods usually start on the date the contract is concluded or from the delivery of the products.

If a consumer withdraws from a contract, they are entitled to reimbursement for the goods or services and for the delivery costs, but only up to the least expensive type of standard delivery offered by the entrepreneur.

There are certain products and services where the right of withdrawal is restricted or excluded.

2. What are the main competition risks in online selling?

As a rule, Czech competition law mirrors EU legislation. The general approach is that every distributor must be allowed to use the internet to sell products or services and must not be restricted in doing so, unless there are compelling reasons, e.g. health and safety concerns always assessed on a case-by-case basis. However, entrepreneurs, particularly manufacturers, are permitted to impose quality standards for online distribution in certain justified circumstances of selective distribution systems. In addition, as in other distribution channels, suppliers are not permitted to control resale prices.

In the e-commerce sector, we increasingly see competition considerations related to digital platforms that have accumulated significant market power. The potential abuse of a dominant position of such digital platforms is under consideration, particularly in connection to certain market practices.

Due to the fast-paced growth of the e-commerce sector, the European Commission decided to re-evaluate the EU competition framework. In 2022, the European Commission published a new Vertical Block Exemption Regulation (Regulation (EU) 2022/720) and guidelines on vertical restraints. The new Vertical Block Exemption Regulation explicitly mentions online sales and sets out a new hardcore restriction: any vertical agreement that aims to prevent the effective use of the internet by a buyer or its customers to sell the contracted goods or services, by restricting the territory into which or the customers to whom the contract goods or services may be sold, is prohibited. This hardcore restriction does not prejudice the possibility of imposing other restrictions of online sales on the buyer, or restrictions on online advertising that do not have the aim of preventing the use of an entire online advertising channel.

3. Are there specific legal considerations relevant to the financial services provided to e-store customers (e.g. payment processing services)?

Generally, e-shop operators do not fall under the regulation of financial services. Although it is becoming more common to accept non-cash payments, such as payments through online payment gateways, rather than accepting cash on delivery, such services are usually provided to e-shop operators on a contractual basis by licensed payment service providers.

Payment services are regulated by national legislation (Act No. 370/2017 Coll., on Payments, as amended) which transposes the Payment Services Directive 2 (Directive (EU) 2015/2366).

VI. Legal enforcement in e-commerce

1. *What relevant authorities are responsible for legal enforcement with regard to e-commerce businesses?*

In the Czech Republic, there are several competent regulatory authorities, including:

The Czech Trade Inspection Authority, which is the primary authority in consumer protection. However, it is not the only one as there are more than ten administrative bodies, including the Czech Agriculture and Food Inspection Authority and the Czech National Bank and Czech Telecommunication Office, which are competent in consumer protection matters in their respective areas of expertise.

The Trade Licensing Office, which is the competent regulatory authority for the conduct of business.

The Office for Personal Data Protection, which is the competent regulatory authority for personal data protection.

The Office for the Protection of Competition, which is the competent regulatory authority for competition regulation.

2. *What is the landscape for private enforcement of consumer rights in the context of e-commerce?*

Consumers may enforce their rights before the civil courts in the Czech Republic either individually or collectively in a class action.

Class actions were introduced in the Czech Republic in 2024 in a new act which includes an opt-in regime according to which affected consumers must actively enter into a class action to claim their rights. Class actions can be filed exclusively by registered non-profit entities if at least ten consumers opt-in. For the purposes of this act, small businesses employing fewer than ten people and whose annual turnover or balance sheet total does not exceed CZK 50 million will also be considered consumers. Exclusive jurisdiction is provided to the Municipal Court in Prague.

Consumers can also assert their rights via an out-of-court consumer settlement procedure before the competent regulatory authority within their respective areas of expertise or before an authorised body. The procedure can be initiated only by consumers and entrepreneurs are obliged to take part in the procedure. However, the parties cannot be forced into an agreement. If they do not reach agreement within 90 days (or 180 days in complicated matters), the procedure terminates.

Consumers can also assert their rights via a mediation procedure that may provide a more efficient and less costly solution to the dispute than judicial proceedings or the out-of-court settlement procedure.

VII. Upcoming changes in e-commerce

1. *Are there legal developments on the horizon of relevance to e-commerce businesses?*

The legal regulation of the e-commerce sector in the Czech Republic is largely based on EU legislation. Currently, the following initiatives may be relevant to e-commerce in the Czech Republic:

- **NIS 2 Directive (Directive (EU) 2022/2555):** The NIS 2 Directive is a significant piece of EU legislation that aims to achieve a common high level of cybersecurity across the EU. Under the NIS 2 Directive, EU Member States are obliged to ensure that companies in critical sectors adopt technical, operational and organisational measures to ensure cybersecurity. Entities that will be subject to the obligations under the national regulation transposing the NIS 2 Directive include providers of online marketplaces, online search engines and social networking platforms. The transposition period of the NIS 2 Directive ends on 18 October 2024.

- **Repair Right Directive (Directive (EU) 2024/1799)**: On 13 June 2024, the European Union adopted the Repair Right Directive, which aims to strengthen the obligations related to the repair of goods. The Repair Right Directive entered into force on 30 July 2024. The new rules will reduce the price of repairs for consumers, reduce the time periods of repairs, motivate consumers to extend the life of products by choosing repair instead of replacement, support sustainable consumption, and reduce waste. The transposition period of the Repair Right Directive will end on 31 July 2026.
- **New Product Liability Directive Proposal**: On 12 March 2024, the European Parliament formally approved the new Product Liability Directive. Once adopted by the Council, the new directive should replace the previous Product Liability Directive (Directive 85/374/EEC) and provide for a more enhanced regulation to respond, among others, to modern supply chain patterns.
- **Green Claims Directive Proposal**: On 22 March 2023, the European Commission presented a directive on “green claims” that aims to tackle unfair commercial practices which prevent consumers from making sustainable consumption choices, such as practices and claims associated with the early obsolescence of goods, misleading environmental claims, non-transparent and non-credible sustainability labels, sustainability information tools, etc.

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Hungary

I. E-commerce sector – fact and figures

1. Recent growth and trends in e-commerce

The Hungarian Government continues to prioritise the e-commerce sector, recognizing the boost it can bring to productivity and innovation. Online retail and web-shop businesses have been growing steadily since 2010.

According to the International Trade Association (<https://www.trade.gov/country-commercial-guides/hungary-ecommerce>) and Eurostat, around 70% of Hungarians shopped online in 2022, slightly below the EU average of 75%. In 2023, e-commerce in Hungary is projected to reach a total turnover of USD 2.749 billion, accounting for 6.2% of total retail trade.

Revenue is expected to grow at an annual rate of 7.3%.

The most commonly purchased items online include books, coupons, IT and electronic gadgets, insurance services, e-tickets, and holiday reservations. Over 70% of orders involve home delivery, with most shoppers preferring cash payment upon delivery. Both men and women engage equally in online shopping, with nearly 40% of annual e-commerce revenue generated in the final two months of the year during Black Friday and Christmas.

The average online shopping cart value is higher than traditional purchases, with an increase from HUF 7,500 (USD 27) to HUF 11,600 (USD 42) over the past five years. The average annual revenue per online user is currently USD 300.70, as online customers tend to spend larger amounts in single purchases. In 2022, the revenue of the top fifteen e-commerce players in Hungary totalled HUF 565 billion (USD 1.66 billion), marking a 9% increase compared to 2021.

II. Setting-up e-commerce business

1. Is the established local presence of a foreign company required to start selling online?

Generally, cross-border operations are permitted without the need for an established local presence. However, certain authorisation and notification requirements apply (see question No. 2 below).

Additionally, it may be necessary to notify the Tax Authority (*Nemzeti Adó- és Vámhivatal* – NAV) if the company has tax obligations in Hungary, particularly VAT obligations.

2. Are there any licence/permit requirements applicable to e-commerce businesses?

There are no specific license or permit requirements for e-commerce businesses, and e-commerce activity is not subject to prior authorisation or any requirement with an equivalent effect.

However, specific rules may apply in relation to the actual conduct of the e-commerce businesses:

- Any commercial activity (including e-commerce businesses) must be registered with the competent notary based on the e-commerce company's seat.
- Search and caching service providers must connect to the central database of blocking decisions and orders on electronic information (*központi elektronikus hozzáférhetetlenné tételei határozatok, végzések adatbázisa*) operated by the National Media and Infocommunications Authority (*Nemzeti Média- és Hírközlési Hatóság*) under Act C of 2003 on Electronic Communications in order to facilitate compliance with decisions, orders and notifications of the courts or of the relevant authority on the blocking of access to electronic data.
- Providers of online marketplaces, online search engines and social networking services platforms must register with the Supervisory Authority for Regulatory Affairs (*Szabályozott Tevékenységek Felügyeleti Hatósága*) under Act XXIII of 2023 on Cybersecurity Certification and Cybersecurity Supervision transposing the NIS2 Directive. (A new general law on Hungary's Cybersecurity is set to replace Act XXIII of 2023 on 1 January 2025, but the current registration requirement will stay the same.)

3. What e-commerce specific contracts must be concluded before starting an e-business?

Providers of information society services (i.e. services provided electronically, typically for payment, remotely, and based on the recipient's specific request), including "electronic commercial services" (i.e. services conducted as business operations to promote the sale, purchase, exchange, or access to goods, services, real estate, or rights, including money, securities, and capital goods), must provide recipients with the contract terms and general conditions for their services in a format that can be stored and reproduced.

4. Are there specific restrictions that impact on the selection of products offered for online purchase?

Government Decree 210/2009 lists the items that can only be sold in brick and mortar stores:

1. Hazardous substances and mixtures as defined in the Chemical Safety Act, except for gas oil, LPG, and fuel used for heating under the Excise Duty Act;
2. Products regulated by the Government Decree on the organic solvent content of certain paints, varnishes, and vehicle refinishing products;
3. Veterinary medicinal products and their active substances;
4. Weapons, ammunition, explosives, gas sprays, pyrotechnic products, products of pyrotechnic classes 1, 2 and 3 under the Government Decree on pyrotechnic activities for civil purposes, with the specified exceptions;
5. Plant protection products and their active substances;
6. Non-hazardous waste;
7. Materials with an increased fire or explosion hazard under National Fire Safety Regulations, except for diesel, LPG, and fuel for heating purposes according to the Excise Duty Act.

In addition, online sale of prescription medicines is prohibited, and over-the-counter medicines can only be sold online by authorised pharmacies. Contact lenses may only be sold online by authorised optic stores, following a notification to the government office (*kormányhivatal*) with territorial competence.

III. Legal design – ABC of the online store website interface

1. *Defining the audience: does the business need to decide upfront if the ecommerce website addresses consumers and/or professionals?*

No. However, the general terms and conditions must be clear on this, and if the e-commerce website targets consumers, the general terms and conditions must include the mandatory elements outlined in Government Decree No. 45/2014 (II. 26.) on the Detailed Provisions of Contracts Between Consumers and Business Entities.

2. *What are the mandatory elements of an e-commerce business website?*

Service providers must present the following information clearly and unambiguously before the recipient places an order:

1. The technical steps required to conclude a contract electronically;
2. Whether the concluded contract is considered written, if it will be filed by the provider, and if it will be accessible;
3. The technical means for identifying and correcting input errors before order placement;
4. The available languages for concluding the contract;
5. The relevant codes of conduct regarding the services, and information on how to access them electronically.

General terms and conditions, along with the mandatory information listed above, must be made available in a way that allows the audience to store and reproduce them. Service providers must ensure that the following data and information are easily, directly, and permanently accessible by electronic means:

1. The name of the service provider;
2. The registered office or permanent establishment, or, if unavailable, the home address of the service provider;
3. The contact details of the service provider, including its email address, enabling recipients to contact the service provider quickly and communicate directly and effectively;
4. If the service provider is required to register in a public register as a condition for its existence and/or for engaging in activities, the name of the court of registry or authority that entered the service provider into the register, along with the registration number;
5. If the service provider's activity requires authorisation by law, an indication of this fact, along with the name and details of the relevant supervisory authority and the authorisation number;
6. If the service provider is liable to pay VAT, the relevant tax number;
7. Regarding the exercise of regulated professions:
 - (i.) The name of any professional body or similar institution (chamber) with which the service provider is registered, whether required by law or voluntarily;
 - (ii.) If the service provider is a natural person, an indication of the vocational qualifications or professional and scientific titles, and the EU Member State where they were granted;
 - (iii.) A reference to the applicable professional rules for exercising the regulated profession in question in the EU Member State of establishment and the means to access them;
8. The registered office and place of business of the service provider providing data hosting services, including its email address, allowing it to be contacted quickly and effectively, unless such details are already accessible due to the nature of the data hosting service provided by the service provider.

Any information published by a service provider that is not considered media content and may severely impair the physical, mental, spiritual, or moral development of minors, particularly if dominated by graphic violence and/or sexual content, must be published with warning labels on the sub-page containing the information, indicating the potential harm it may cause to children. Identifiers must be incorporated into the source code to identify the content category, which can be detected by content-filtering software.

The service provider must insert an electronic hyperlink into the website that redirects the consumer to the online dispute resolution platform (https://europa.eu/youreurope/business/dealing-with-customers/solving-disputes/online-dispute-resolution/index_hu.htm). The service provider must also publish the data privacy notice on the website and the webshop in accordance with the GDPR.

3. Is it mandatory that the website information be provided in the local language?

No. However, the service provider must inform the recipient of the service clearly and unambiguously and before the recipient places the order of the service about the languages offered in the conclusion of the contract.

Additionally, it is advisable to provide key product/service information in Hungarian to reduce consumer protection risks, as there is an increasing expectation from the Hungarian Competition Authority (*Gazdasági Versenyhivatal* - "**GVH**") essential information to be available in Hungarian.

4. What are the legal requirements for publishing customer reviews?

The relevant provisions of EU Omnibus Directive 2019/2161 are implemented in Hungarian law under Act XLVII of 2008 on the Prohibition of Unfair Commercial Practices against Consumers. According to this law, if a business provides consumer reviews of products, it must disclose whether and how it ensures that the reviews come from consumers who have actually used or purchased the product. Failure to provide this material information, or providing it in a vague, unclear, ambiguous, or untimely manner, is considered misleading.

Accordingly, the following two cases have been added to the blacklist of unfair commercial practices:

- Claiming that product reviews are submitted by consumers who have actually used or purchased the product without taking reasonable and proportionate steps to verify their origin.
- Submitting, or commissioning another legal or natural person to submit, false consumer reviews or endorsements, or misrepresenting consumer reviews or social endorsements to promote products.

The GVH issued the following recommendations to platform providers regarding the management of consumer reviews:

- It is helpful to provide a rating and moderation policy that clearly and easily explains which consumer opinions are included in the rating and the calculation methodology used.
- The criteria of the rating system should be disclosed in advance.
- Providers should make it clear to users if the evaluation criteria include any aspects used to collect consumer opinions for improving their service or selecting partners, without including them in the evaluation or making them public.
- The option to leave a review should be easily noticeable for users.
- The rules governing both consumer ratings and their possible moderation should align with real-life processes.
- The review policy (and, if available, the email or push notification reminding users to leave a review) should notify users if there is a time limit for submitting a review.
- Both positive and negative customer reviews should be considered.
- The recommendation is available (only in Hungarian): [here](#)

In order to ensure the rating system is transparent, clear, and easily understandable for consumers, the GVH also raised the following points regarding consumer ratings published in e-commerce:

- Any review presented by a service provider as a consumer-published review must be credible, reflecting real consumer opinions, findings, and experiences. If the provider allows the display of unverified reviews (e.g., without a booking code or invoice), this must be clearly indicated. It is also advisable to separately indicate reviews made using incentives, such as offering a voucher or discount for submitting a review.
- It is helpful to inform consumers if the rating system is clearly presented at the same time as the review, near the rating location, using visual aids such as diagrams or videos. The description should be accessible in the interface where the review is written (e.g. via a hyperlink) or in an easily accessible menu.
- It should be clear to consumers whether they are reviewing the provider's platform or the product or service they can purchase.
- The provider should not selectively display only positive reviews. If certain positive reviews are highlighted as a marketing tool on the website, the provider must ensure balanced information and not ignore less positive experiences.
- Consumers should be allowed to choose how reviews are displayed (e.g. chronological order, filtering for the worst or best reviews).

- The submission of consumer reviews should be linked to a reasonable timeframe. For services, it is not ideal for consumers to leave reviews weeks or months later (e.g. for a hotel room or restaurant meal), as opinions may be influenced by the passage of time

The recommendation is available (only in Hungarian): [here](#)

5. *What elements of the store interface could be considered as dark patterns?*

The GVH is the most active regulator in Hungary when it comes to monitoring dark patterns. It has conducted several sector-specific sweeps, targeting airline ticketing platforms, local food delivery platforms, and online accommodation and travel platforms.

Based on GVH's regulatory practice, the following interfaces were considered to be dark patterns in Hungary:

- **Hidden costs, countdown timer, urgency:** a company displayed an "immediate offer" option on its online marketplace, both on its website and mobile app, after clicking on a product. The GVH challenged the use of a 4-minute countdown timer above the "Buy Now" button with the statement "immediate offer: add to cart now to get a cheaper price". Even after the countdown expired, the one-sentence claim remained visible. Additionally, a 55-minute countdown timer appeared on the checkout sub-page with the message: "Price expires soon! Go to the checkout before the counter expires to get this price." The online marketplace also displayed some products with a "free" price of £0, later adding delivery charges during the checkout process. In the commitments closing the competition proceedings, the company agreed to remove the countdown timer from the website and cease sending messages urging users to use the service. (GVH, *VJ/22-114/2021 decision, 16 February 2023*).

The decision is available (only in Hungarian): [here](#)

- **Psychological pressure, urgency:** The company engaged in aggressive and therefore unfair commercial practices by placing urgent messages and pop-ups next to accommodation offers on its website, applying psychological pressure on users. Examples included messages such as "Four other people are looking at this accommodation", "Only one room left at this price", or "Prices may increase! Secure your booking today!". The GVH imposed a fine of HUF 2.5 billion (approx. EUR 6,159,107) on the company for this practice. In its decision, the GVH discussed the concept of the "average informed consumer" and emphasised that "higher education does not imply a higher level of knowledge of the market and therefore a higher level of awareness". The GVH also questioned whether internet literacy could be considered relevant in such cases, noting that these practices often operate at a subconscious level and therefore awareness is less important. (GVH, *VJ/17-110/2018 decision, 28 April 2020*).

The decision is available (only in Hungarian): [here](#)

- **Hidden costs, misleading pricing, hidden information, misdirection.** The company, operating an accommodation search platform, hid or vaguely and inaccurately disclosed additional accommodation costs (e.g. cleaning fees, service charges) from users when operating its website and mobile app. The accommodation price was shown on the "listing page" after the user entered search parameters, with additional costs displayed later on the "accommodation page", which was accessible by clicking on the accommodation. Moreover, the same accommodation was available at different prices on the web and mobile app interfaces for the same search parameters. The competition investigation concluded with a commitment by the company to review and end its misleading pricing practices and hidden information. (GVH, *VJ/89-90/2016 decision, 11 June 2018*).

The decision is available (only in Hungarian): [here](#)

- **Hidden costs, misleading pricing, hidden information, misdirection.** The GVH found that the company had engaged in misleading commercial practices regarding the online sale of tickets for concerts and other events by failing to disclose all costs affecting the final ticket price on its website, Facebook page, and ads on Facebook, Google, and Instagram. Consumers were informed of the final ticket price only later in the purchase process, after selecting the tickets. At the end of the process, consumers encountered a higher final amount due to a separate handling

fee for each ticket. As a result of the investigation, the GVH issued a warning to the company but did not impose fines. (GVH, VI/17/2020 decision, 29 April 2021).

The decision is available (only in Hungarian): [here](#)

In addition to the above, the following interface solutions may also be considered as dark patterns in the event of a regulatory investigation:

- Providing misleading presentation or content, where the design deliberately draws attention to one element while distracting from another (e.g. by using brightly coloured content, highlighting the "Accept" option, making the "Buy" button larger, or making the "Decline" button small or hard to see).
- "Sneaking" additional products or services (e.g. extra insurance selected by default) into the shopping cart during checkout, often by placing an opt-out button or checkbox on a previous page.
- "Confirm shaming" – e.g. making the consumer feel bad for declining an offer.
- "Rushing" – i.e., falsely stating that a product will only be available for a very limited time to force an immediate decision, depriving consumers of sufficient time to make an informed choice.

IV. Marketing & promotions

1. What are the key requirements for announcing and running price promotions?

The relevant price indication rules introduced by the EU's Omnibus Directive apply.

When promoting price reductions, traders must indicate the prior price applied for a determined period before the reduction. The prior price is the lowest price applied by the trader during a period of no less than 30 days preceding the price reduction.

Hungary has derogated from the general rule in cases allowed by the Omnibus Directive:

- **Progressive price reductions:** The prior price is the price without the reduction before the first application of the price reduction.
- **Perishable goods:** These are exempt from the promotional price indication regime.
- **"New arrivals" goods:** for products on the market for less than 30 days, the prior price is the lowest price applied by the trader during a period of no less than 15 days preceding the price reduction (instead of the general 30 days). Interestingly, soft law guidance suggests that new products cannot be advertised with price reductions in the first 15 days, as there is no appropriate prior price to serve as a reference.

2. Is explicit consent required for marketing communications?

Sending marketing communications via electronic means, such as emails and text messages, requires the opt-in consent of customers as recipients. This means the sender can only send marketing materials through these communication channels if it has obtained prior consent from the designated recipient for that specific channel.

The Hungarian Data Protection Authority (*Nemzeti Adatvédelmi és Információszabadság Hatóság* – "NAIH") established this channel-based opt-in principle in a decision where it imposed a fine of HUF 30 million (EUR 74,500).

The NAIH stated that:

1. Separate consent is required for each purpose and channel in direct marketing, allowing individuals to choose specific channels they prefer.
2. Consent for targeted ads on platforms like Google and Facebook also requires separate consent, with privacy notices detailing any non-standard practices, such as data processing abroad.

The decision is available (only in Hungarian): [here](#)

Marketing opt-in must meet the GDPR consent standard, meaning that consent should be a freely given, specific, informed, and unambiguous statement or clear affirmative action. A clear affirmative action entails that a deliberate and specific action must be taken to opt in or agree to the processing, such as ticking

a box when visiting a website. In one case, the NAIH established that consent must be given voluntarily through a separate, standalone checkbox and cannot be bundled with the acceptance of Terms & Conditions.

The decision is available (only in Hungarian): [here](#)

In another case, the NAIH highlighted that if personal data initially collected for one purpose (e.g. contract formation) is later used for direct marketing, the data controller must obtain informed consent from data subjects, as this constitutes a new processing purpose.

The decision is available (only in Hungarian): [here](#)

3. What types of promotion activities are under the special scrutiny of local authorities?

In general, consumer protection is a key focus for the GVH. For instance, in 2023, the GVH launched 19 new consumer protection investigations, while closing 22 such cases, resulting in over HUF 1.6 billion (approx. EUR 3.9 million) in fines.

The GVH specifically pays particular attention to “Black Friday” promotions and has issued multiple infringement decisions in recent years where promotional advertisements or slogans contained unclear, false, or misleading statements that distorted consumers’ economic behaviour. Most notably, an e-commerce platform was fined HUF 862 million (approx. EUR 2.1 million) in 2020 for misleading communication of discount rates during its “Black Friday” campaigns.

The GVH has also conducted several investigations into influencer marketing. In many cases, influencers and advertising companies misled consumers by failing to disclose that the content was promotional and paid for, rather than being unbiased, objective opinions. As a recent development, the GVH launched 6 new investigations in 2024 against popular Hungarian influencers and their advertising partners on similar concerns.

Additionally, green communication and greenwashing are increasingly on the GVH’s radar. In January 2024, the GVH completed a comprehensive market analysis on the use of green claims in Hungary. The GVH’s report concluded the analysis with multiple recommendations for businesses, such as:

1. Businesses should understand and map the environmental impacts of the production and consumption of their products before developing environmental and sustainability-related information.
2. Knowing the real environmental impacts of businesses and their products, companies should identify which environmental improvements, investments, and modifications can have the greatest positive environmental impact.
3. Communication on sustainability and the environment should focus on the activities that have the greatest impact on reducing environmental harms.
4. Claims that are poorly worded, overly general, and vague should be avoided.

The market analysis is available (only in Hungarian): [here](#)

The GVH is also active in specific investigations. Most recently, in August 2024, they opened investigations against three water bottlers for potential concerns regarding claims about the recyclability of their PET bottles.

V. Other key considerations for running e-commerce

1. Do special rules apply to product returns and defective goods?

Insofar as the buyer qualifies as a consumer under the Hungarian Civil Code, and the purchase contract is a distance contract as defined by Government Decree No. 45/2014 (II. 26.) on the Detailed Provisions of Contracts Between Consumers and Business Entities, the following applies:

1. Right of withdrawal:

Consumers have the right to withdraw from an online contract within 14 days of delivery, without

providing a reason. Businesses must:

- Inform consumers of this right.
- Provide an appropriate withdrawal form (a template form is available in Annex 2 of Government Decree 45/2014).

If the business fails to provide this information, the withdrawal period extends by 12 months. Upon withdrawal, consumers are entitled to a refund of the delivery cost, but this refund will not exceed the cost of the least expensive standard delivery offered by the seller.

2. Standard rules for defective performance ("*hibás teljesítés*") apply equally to online sales in Hungary:

- **General implied warranty ("*kellékszavatosság*")**: consumers may request repair or replacement within two years of performance (or at least one year for used goods). Notification of defects must be prompt, with defects reported within two months of discovery deemed timely.
- **Product warranty ("*termékszavatosság*")**: consumers can demand repair or replacement from the manufacturer for defective products within two years after placing the product on the market. Notification of defects must be prompt, with defects reported within two months of discovery deemed timely. If repair within a reasonable timeframe is not feasible, replacement may be sought.
- **Statutory or voluntary commercial guarantee ("*jótállás*")**: if a seller guarantees performance under specific conditions, they are liable for defects during the guarantee period unless they prove the defect arose after performance. Pursuant to Government Decree 151/2003 the statutory guarantee period is (i) two years for products with a sale price between HUF 10,000-250,000 (approx. EUR 25-610) and (ii) three years for a sale price exceeding HUF 250,000.
- **Compensation for damages ("*kártérítés*")**: consumers may claim damages within five years of performance if repair or replacement is impossible, refused, or no longer serves their interests.

3. E-commerce guidelines and transparency:

The GVH emphasises the importance of clear, accurate information on withdrawal rights and product returns. Incomplete or ambiguous information could mislead consumers, constituting a violation of consumer protection laws.

The competent Hungarian ministry published a general guideline on e-commerce summarizing the business (seller) obligations – it is available (only in Hungarian): [here](#)

The ministry also issued a specific guideline on the business (seller) information and transparency requirements towards the customer about warranty and guarantee rights before the completion of the purchase – it is available (only in Hungarian): [here](#)

Businesses may use the template information notice provided in Annex 1 and Annex 3 of the Government Decree 45/2014.

It is available (only in Hungarian): [here](#)

2. What are the main competition risks in online selling?

Hungarian competition law is fully harmonised with EU law, applying equally to both online and brick-and-mortar sales. In this context, the GVH's practice and activity indicate the main competition law trends in Hungary concerning online selling.

One of the GVH's primary focuses in recent years, also impacting online sales, has been resale price maintenance. For instance, in 2019, the GVH imposed a HUF 110 million (approx. EUR 270,000) fine on a gardening tool supplier for indirectly imposing minimum resale prices by setting the maximum discounts that online resellers could apply to the recommended resale prices. Notably, the resellers were not fined but were required to implement compliance measures to prevent future violations.

Similarly, in 2022, a wholesaler of watches and musical instruments was fined HUF 325 million (approx. EUR 800,000) for imposing minimum prices. The wholesaler distributed recommended consumer price lists to its online resellers, but adherence to these “recommendations” was actively monitored, and resellers were threatened or penalized for deviations.

Resale price maintenance (RPM) remains a significant focus area. For instance, two major cases are currently pending against a soft drink manufacturer for similar concerns, albeit related to brick-and-mortar sales. However, it is likely that the online sphere will also face scrutiny in the future.

3. Are there specific legal considerations relevant to the financial services provided to e-store customers (e.g. payment processing services)?

For online payment processing services, strong customer authentication (SCA) is mandatory under the PSD2 directive. Merchants must use a payment service provider on their website that ensures SCA compliance.

However, merchants are not required to offer any specific electronic payment solution or financial service on their website. Customers can pay via various methods according to the merchant’s terms, including online card payment, instant wire transfer, or cash.

If a merchant provides other financial services beyond payment processing—such as payment initiation, account information, loans, or e-money services—specific regulations apply, including notification and licensing requirements for each service.

VI. Legal enforcement in e-commerce

1. What relevant authorities are responsible for legal enforcement with regard to e-commerce businesses?

The GVH handles competition law and certain consumer protection cases, including unfair commercial practices, misleading advertising, and unlawful comparative advertising, where competition is affected.

The Hungarian National Bank (Magyar Nemzeti Bank) is responsible for financial consumer protection cases. In case of food products, the National Food Chain Safety Office (*Nemzeti Élelmiszerlánc-biztonsági Hivatal*) may also have competence. In other consumer protection matters, county government offices act as general consumer protection authorities.

Most recently, the Government has decided to set up a new, centralised consumer protection agency, the National Commercial and Consumer Protection Authority with effect as of 1 January 2025. The new authority will complement the existing enforcement framework by overseeing government offices and taking over certain competences from other authorities.

The National Authority for Data Protection and Freedom of Information (*Nemzeti Adatvédelmi és Információszabadság Hatóság*) oversees data protection cases and the National Media and Infocommunications Authority (*Nemzeti Média- és Hírközlési Hatóság*) acts as a Digital Service Coordinator under the Digital Services Act.

2. What is the landscape for private enforcement of consumer rights in the context of e-commerce?

The most common method of enforcement is alternative dispute resolution through the conciliation board (*békéltető testület*), which handles consumer complaints. Before initiating proceedings, consumers must first attempt to resolve complaints directly with the service provider.

The board may confirm the settlement or issue a decision. The service provider’s participation in the procedure is mandatory by law and the resulting settlement is binding. However, in the case of a decision issued by the board, it is binding only if the service provider has previously acknowledged in a statement that it is bound by the decision of the conciliation board.

A judicial review is available if the decision of the board decision violates procedural rules. In 2023, the Budapest Conciliation Board received 4,654 consumer complaints and made decisions in 4,531 cases, with most complaints related to online purchases.

Consumers may also bring actions in civil courts for specific issues such as product damage, product defects, or billing disputes. Class actions are another option, initiated by consumer protection authorities, consumer rights associations, or the prosecutor, especially if an alleged infringement affects many consumers or causes significant harm.

VII. Upcoming changes in e-commerce

1. Are there legal developments on the horizon of relevance to e-commerce businesses?

The draft new general law on Hungary's Cybersecurity is expected to enter into force as of 1 January 2025. The draft law contains the cybersecurity obligations of providers of online marketplaces, online search engines and social networking services platforms qualifying as at least medium-sized enterprises and having their main establishment in Hungary.

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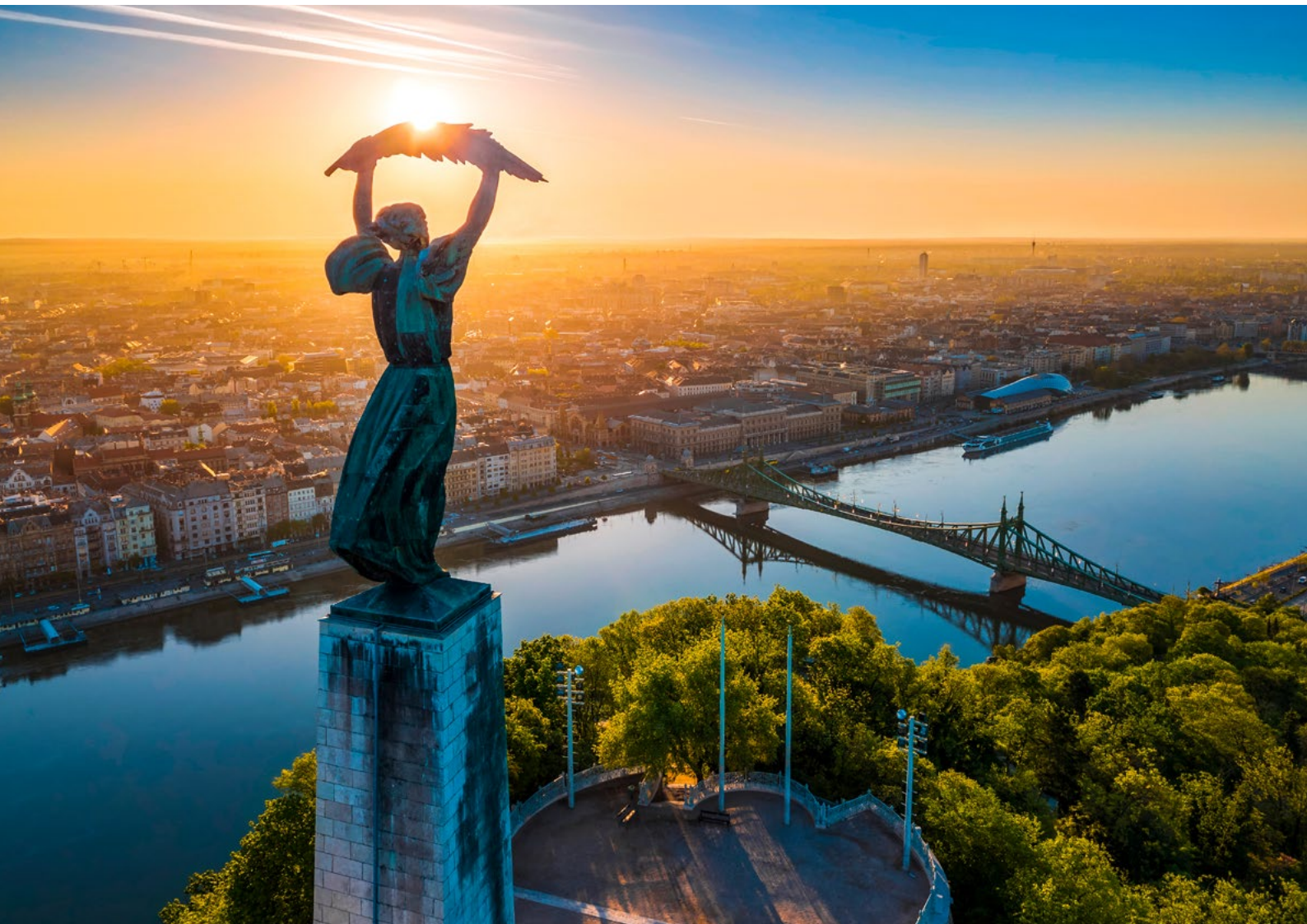


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Montenegro

I. E-commerce sector – fact and figures

1. Recent growth and trends in e-commerce

Montenegro is one of the smaller e-commerce markets, but it is gradually growing, influenced by global trends and digitalisation.

E-commerce in Montenegro has been growing steadily over the years. The COVID-19 pandemic accelerated the digital adoption. With an increasingly tech-savvy population, online shopping is becoming more popular, particularly among younger consumers. Local e-commerce businesses and platforms like Voli, Montenegro's leading supermarket chain, have launched online stores, while international platforms such as Amazon and AliExpress are also frequently used.

Challenges remain, particularly in payment processing and logistics, as cash on delivery is still common, and reliable delivery infrastructure is limited in certain areas. However, efforts to improve digital infrastructure and promote cashless payments are underway, with government support for digitalisation initiatives.

Pursuant to the ECBC analysis, in the Montenegrin retail market, the online share is 6.4% and will increase by an average of 10.4% to 9.6% by 2028.

E-commerce legislation in Montenegro is developing to support and regulate the expanding digital economy. Montenegro continues to work on aligning its legal frameworks with EU digital commerce standards, aiming to boost consumer confidence and attract foreign and local investments in its e-commerce sector.

II. Setting-up e-commerce business

1. *Is the established local presence of a foreign company required to start selling online?*

There is no need for a business to establish a local presence; products and services may be sold or offered from abroad. Foreign entities that wish to sell their goods/services in Montenegro can do so by establishing a local branch/entity regardless of whether they plan to sell their goods online or in a bricks-and-mortar store.

Even if a company chooses to do so, there is no mandatory requirement for a foreign company with a local presence to sell its goods/services online.

2. *Are there any licence/permit requirements applicable to e-commerce businesses?*

In general, no licences or permits are required for companies that want to establish an online presence. However, an obligation to abide to the laws of Montenegro exists in certain areas (in particular regarding EU companies), thus, to sell certain products such as dangerous chemicals, a permit must be obtained. In addition, to facilitate online gambling, a permit/concession to organise games of chance is required. Similar requirements may apply to other goods as well.

Furthermore, selling from abroad may require tax registration even without an established presence.

3. *What e-commerce specific contracts must be concluded before starting an e-business?*

Even if e-commerce is only an extension of the bricks-and-mortar activity, and the business already has various supply and logistic contracts in place, there are some specifics for setting up an e-commerce platform that should be considered.

- **Domain name:** The domain name serves as an address for the e-commerce business. A wide choice of domain extensions is available, both national (.me), and international, more suitable for cross-border activity (such as .com). It is also possible to offer goods via marketplaces.
- **Hosting services:** Sourcing hosting services is a more complex process as there are various options. Hosting services may be acquired in particular as cloud servers, shared webhosting, virtual private servers and dedicated servers.
- **IT-related services:** A smooth ordering process is one of the key elements of creating a good customer experience. To achieve this, the e-commerce business has to ensure an appropriate level of IT services.
- **Creative services:** Sourcing creative services is required to set up a website, including both the design and technical aspects of various applications and functionalities, such as invoicing, accounting, marketing tools and customer relationship management.
- **Logistics: Logistics is the backbone of a successful e-commerce business.** The logistics processes include product sourcing, stock (inventory) management, order management, packaging and delivery, as well as the management of (and sometimes picking up) product returns.

E-commerce logistics may also be outsourced to a third-party logistics provider. A new alternative to the traditional logistics chain is drop shipping. In this model, the e-commerce entity forwards customers' orders to another company, which fulfils the orders by shipping the items directly to the customer on behalf of the e-commerce entity.

Payments: Cash on delivery remains a popular payment method; however, a wide array of electronic and non-cash payments are also available to e-commerce businesses. These include payments by various types of credit and debit cards, quick online transfers, electronic wallets, mobile money, and alternative currency payment processors.

4. Are there specific restrictions that impact on the selection of products offered for online purchase?

Specific restrictions do apply and relate to products/services which are restricted or banned for sale in Montenegro, most notably the sale of dangerous chemicals which can only be done with a licence and only to buyers with adequate licences/credentials, or organising gambling, which requires a concession. Other such restrictions apply to alcohol and cigarettes, which require confirmation that a buyer is older than 18. This may prove problematic to enforce in practice.

III. Legal design – ABC of the online store website interface

1. Defining the audience: does the business need to decide upfront if the ecommerce website addresses consumers and/or professionals?

There is no such obligation, but if the e-commerce website is directed to consumers, the key is to ensure that all consumer rights are observed. This translates into significant differences compared to B2B relations, in every part of the transaction, so that crucial information and all consumer rights are observed before and after the conclusion of a contract, especially regarding product returns, liability for defective goods, etc.

On the other hand, if a website is dedicated to businesses only (e.g. sale of equipment to professionals only) – consumer regulations will not apply, but in this case it should be ensured that an online store is accessible only to professionals which might prove difficult, especially in cases where the e-commerce website is set up as an entity abroad and such barriers may clash or add difficulty with respect to personal data protection laws

2. What are the mandatory elements of an e-commerce business website?

The law does not stipulate any restrictions on the content and the layout of an e-commerce website.

However, the law does set out several requirements regarding the items of information which must be provided to the buyer before the purchase contract is concluded. Those items of information are:

1. the procedures to follow when concluding the contract;
2. contractual provisions;
3. general business terms/conditions, if they are an integral part of the contract;
4. languages offered in which to conclude the contract;
5. codes of conduct in accordance with which service providers act and how these codes can be reviewed electronically;
6. keeping the concluded contract and information on whether that contract will remain available.

Thus, despite nearly complete freedom in website design, it is necessary for a website to provide the stated information to the consumer as well as any other potentially relevant information when making a purchase.

3. Is it mandatory that the website information be provided in the local language?

There is no such requirement in Montenegro; however, the website must display the languages it offers to conclude the contract and the buyer/user must understand what he/she is buying/requesting.

4. What are the legal requirements for publishing customer reviews?

There are no specific requirements for publishing customers reviews.

5. What elements of the store interface could be considered as dark patterns?

The concept of a 'dark pattern' is not yet defined in law. There is only a general ban on misleading advertising.

IV. Marketing & promotions

1. What are the key requirements for announcing and running price promotions?

Advertising of price promotions must include information on:

1. Type of sales benefits;
2. Precise and clear determination of the product to which the sales benefit applies;
3. Period of validity of benefits, indicating the beginning and end, if any;
4. Total costs related to obtaining or taking over the product, including delivery, that is, a note that the costs are borne by the consumer, if they exist; and
5. Other conditions related to the realization of sales benefits.

In case of issuance of vouchers, coupons or other tools for exercising the right to a benefit, information on the the issuer must also be included, as well as the monetary value or the amount of the discount.

2. Is explicit consent required for marketing communications?

Explicit consent is required for marketing communications through email or equivalent means, which is obtained through registration or other means when the user uses the e-commerce website.

3. What types of promotion activities are under the special scrutiny of local authorities?

- Price reductions
- clearance sale
- price promotion (i.e., price reduction)
- promotional sale (i.e. promotion of new product)
 - Vouchers and coupons
 - Special sale benefits

V. Other key considerations for running e-commerce

1. Do special rules apply to product returns and defective goods?

To the best of our knowledge, no. The regular rules of the Consumer Protection Act apply, and as in the case of bricks-and-mortar sales, all consumers/users have the rights to make returns and protection from defective goods under this Act

2. What are the main competition risks in online selling?

There are no specific risks associated with competition laws in Montenegro.

Montenegrin laws follow EU trends and restrict business practices which restrict competition or provide grounds for the abuse of a dominant position in the Montenegrin market. Therefore, notwithstanding restrictions regarding the sale of certain items which are prohibited or require a licence, there are no restrictions on the sale or offering of services.

3. Are there specific legal considerations relevant to the financial services provided to e-store customers (e.g. payment processing services)?

In Montenegro, payment and financial services are governed by the laws and bylaws issued by the Ministry of Finance and the Central Bank of Montenegro, and the law that regulates this legal area is the Law on Payment Transactions. There are no specific requirements for e-commerce.

VI. Legal enforcement in e-commerce

1. What relevant authorities are responsible for legal enforcement with regard to e-commerce businesses?

In Montenegro, no special body is responsible for legal enforcement regarding e-commerce businesses. The Ministry of Public Administration has electronic communications as well as e-commerce in its jurisdiction, and the Ministry of Economic Development is responsible for all commerce-related questions which deal with issues non-specific to e-commerce.

The Inspector for IT service companies is the relevant inspector responsible for activity in the e-commerce sector. However, the Trade Inspector is also relevant for certain day-to-day issues, such as packaging, labelling, general product quality and consumer communication and information.

The Personal Data Protection Agency is responsible for all matters regarding personal data and is responsible for enforcing and monitoring data safety.

2. What is the landscape for private enforcement of consumer rights in the context of e-commerce?

Consumers may seek to enforce their rights before a civil court. Proceedings should be handled expeditiously.

In cases involving e-commerce with the EU, Montenegrin authorities will contact and cooperate with EU authorities to exchange information and assist with dispute resolution.

Another option given by the law is alternative dispute resolution as Arbitration.

VII. Upcoming changes in e-commerce

1. Are there legal developments on the horizon of relevance to e-commerce businesses?

No changes/amendments to the Law on electronic commerce of Montenegro or other relevant laws have been announced. However, given that the trend of online shopping in Montenegro is constantly increasing, pursuant to the Montenegro Chamber of Economy it will be necessary to adopt a new law in the field of electronic commerce in following period.

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North Macedonia

I. E-commerce sector – fact and figures

1. Recent growth and trends in e-commerce

According to the Annual Report of the Association for E-commerce for 2023 for North Macedonia, the value of total realised online transactions in 2022 was up 25% compared to 2021 and the number of online transactions in 2022 was up 13.6% compared to 2021. According to the same report, the number of internet selling points based in North Macedonia (“e-selling points”) in April 2023 was 1,908.

Furthermore, in 2022, a new Law on Payment Services and Payment Systems was enacted, which entered into force on 1 January 2023.

The Law on Payment Services and Payment Systems regulates payment services, requiring providers to be licensed, which ensures secure transactions for e-commerce. It mandates transparency in fees, helping online businesses manage costs and communicate with customers. It also establishes user rights and dispute resolution procedures, which protect customers and help businesses address payment issues effectively. Additionally, it allows for the portability of payment accounts, making it easier for customers to shop online.

The law also helps align North Macedonia’s regulations with EU standards, which is important for the country’s EU membership goals and its participation in the Single Euro Payments Area (SEPA).

Additionally, it introduces a basic payment account that anyone can open for free, especially benefiting vulnerable groups and promoting financial inclusion.

II. Setting-up e-commerce business

1. Is the established local presence of a foreign company required to start selling online?

No. There are no significant barriers preventing foreign companies from conducting e-business in North Macedonia. There is no strict legal need for a business entity to establish a local presence: products and services can be sold from abroad.

However, foreign entities also may undertake such activity through a subsidiary or local branch. According to the Macedonian Law on Electronic Commerce (the “**Law on e-commerce**”), each trade company that acts in North Macedonia should render its services in compliance with the laws and other relevant regulations in North Macedonia. These include, inter alia, data protection regulations, consumer protection laws and advertising regulations.

2. Are there any license/permit requirements applicable to e-commerce businesses?

According to the Law on e-commerce, no special authorisation, approval or concession is required for e-businesses. However, each e-business must obtain (if applicable) the approvals that should be obtained in accordance with other regulations.

3. What e-commerce specific contracts must be concluded before starting an e-business?

The Law on e-commerce does not stipulate specific contracts that must be concluded before starting an e-business in North Macedonia that differ from the regulations that apply to starting a bricks-and-mortar business.

Although there is no legal requirement, in general, recommended contracts for starting an e-commerce business in North Macedonia would include:

- Contracts for domain name registration and web hosting;
- Contracts with payment service providers (etc. bank) for methods of payment;
- Privacy policy and Terms and Conditions indented for end users, for compliance with the laws on data protection and consumer protection;
- Supplier contracts and shipping/logistics contracts with local companies;
- Insurance Policies for obtaining liability insurance and other relevant coverage.

4. Are there specific restrictions that impact on the selection of products offered for online purchase?

Product selection is an important aspect of e-commerce that needs to consider specific national restrictions. These may be product-specific restrictions that apply in all sales channels, such as the obligation to obtain a relevant authorisation in the case of selling or distributing certain products.

On a separate note, at the request of an entity whose rights have been infringed by a certain e-service, the Ministry of the Economy, the Ministry of Administration and Electronic Communications, the Agency for Electronic Communications, or a competent court (“relevant responsible authorities”) should take measures to limit the freedom to provide e-services to e-providers who cause or may cause damage, if the measures are necessary to protect:

- the public interest, especially the protection, investigation, and identification of a crime and initiating criminal proceedings, including the protection of minors and fighting against any type of race, sex, religion or nationality-based hatred, and infringement of human dignity regarding individuals;
- public health;
- public safety, including the protection of national security and defence; and
- consumers, including investors.

III. Legal design – ABC of the online store website interface

1. Defining the audience: does the business need to decide upfront if the ecommerce website addresses consumers and/or professionals?

The Law on e-commerce does not specify an obligation for defining the audience upfront in cases of addressing consumers and/or professionals. However, depending on the audience, additional laws such as Macedonian Law on Consumer Protection (“**Law on Consumer Protection**”), Macedonian Law on Personal Data Protection (“**Law on Personal Data Protection**”) could be applicable. Therefore, to ensure compliance with the aforesaid laws, it is recommended that the business determines this upfront and ensures compliance.

2. What are the mandatory elements of an e-commerce business website?

According to the Law on e-commerce, the following information about the e-commerce business must be made easily, directly, and permanently available to its customers on the website:

- Name or company name of the service provider.
- Head office or address of the service provider.
- Contact details, including an electronic address for direct communication.
- Trade registry details and registration number (if applicable).
- License or approval details (if applicable, for regulated professions).
- Tax identification number, if the service provider is a VAT payer.

If prices are listed, it must be clearly indicated whether the prices include delivery costs, taxes, and any other charges that may affect the final price.

If the e-commerce business targets consumers, natural persons, it must also comply with data protection and consumer protection regulations and include a Privacy Policy, Cookie Policy and Terms of Use documents on its website.

Finally, consumer protection regulations require that e-commerce websites clearly and visibly inform consumers of their right to file complaints. This includes providing detailed explanations of the methods and available channels for submitting consumer objections, ensuring that the information is easily readable and accessible.

3. Is it mandatory that the website information be provided in the local language?

Yes. To ensure compliance with Macedonian e-commerce, consumer protection and data protection regulations, information displayed on the website needs to be provided in Macedonian language, the official language on the territory of North Macedonia.

Under certain conditions the Albanian language can also be treated as an official language in North Macedonia, such as for certain consumer related information that need to be provided.

The above also applies to the advertising practices.

4. What are the legal requirements for publishing customer reviews?

The Law on e-commerce does not specifically address this issue. However, if the customer reviews contain personal data of customers, then the Law on Personal Data Protection would apply and prior explicit consent should be obtained by the customers whose data would be publicly presented, for that specific purpose. In addition, the Law on Consumer Protection forbids using fake customer reviews and labels it as an unfair trade practice.

5. What elements of the store interface could be considered as dark patterns?

While the Law on e-commerce does not specifically address this issue, the Law on Consumer Protection outlines certain practices that could be considered as unfair trade practices. These practices are prohibited in consumer relationships, and non-compliance can lead to penalties, including fines.

Some examples of the unfair trade practices include:

- **Misleading Claims:** false representations about certifications, endorsements, or compliance with regulations, which are considered misleading practices.
- **Bait and Switch:** advertising products at a specific price without a reasonable basis for their availability or promoting one product while intending to sell another, which constitutes bait and switch tactics.
- **Creating Urgency:** making false claims about limited availability to pressure consumers into quick decisions, which is considered aggressive marketing;
- **Hidden Costs:** describing a product as “free” or “without charge” when there are unavoidable costs associated; and

Deceptive Marketing Practices: Providing misleading information about consumer rights or using fake reviews to promote products

IV. Marketing & promotions

1. What are the key requirements for announcing and running price promotions?

The Law on e-commerce regulates the form and manner of commercial communication and promotional offers.

In this regard, any promotional offer (including discounts and gifts) must:

- Be clearly identifiable as a promotional offer;
- Include the conditions that must be met to take advantage of the promotion; and

These conditions should be made easily available and represented in a clear and unambiguous manner.

2. Is explicit consent required for marketing communications?

Explicit consent is required for unsolicited marketing communications towards customers, i.e. for direct marketing. Pursuant to the Law on e-commerce and the Law on Personal Data Protection, explicit consent from data subjects is mandatory for unsolicited marketing communications since they fall under the scope of direct marketing.

3. What types of promotional activities are under the special scrutiny of local authorities?

Some promotion activities can be targeted and under special scrutiny of local authorities such as aggressive sales tactics, direct marketing practices, advertising to children and other vulnerable groups, free trials and subscriptions, due to potential risks to consumers/data subjects or violations of advertising standards.

V. Other key considerations for running e-commerce

1. Do special rules apply to product returns and defective goods?

There are no special rules that apply to e-businesses regarding product returns and defective goods that differ from the general customer and consumer protection rules in North Macedonia

2. What are the main competition risks in online selling?

According to the Law on e-commerce, there are no additional provisions for online selling that would apply apart from the provisions of Macedonian Law on the Protection of Competition and Law against Unfair Competition.

3. Are there specific legal considerations relevant to the financial services provided to e-store customers (e.g. payment processing services)?

According to the Law on e-commerce, no specific legal considerations are relevant to the financial services provided to e-store customers.

VI. Legal enforcement in e-commerce

1. What relevant authorities are responsible for legal enforcement with regard to e-commerce businesses?

The relevant authorities responsible for the legal enforcement of e-commerce regulations in North Macedonia include several key entities.

The main supervising authorities for legal enforcement of the Law on e-commerce are the Ministry of the Economy, the Ministry of Administration and Electronic Communications, and the Agency for Electronic Communications, each within their competencies as defined in law.

In matters related to data protection, the Macedonian Agency for Personal Data Protection is the relevant authority in ensuring adherence to personal data regulations within the e-commerce sector.

Additionally, the State Market Inspectorate conducts inspection supervision through its competent inspectors, operating under the Macedonian Law on the State Market Inspectorate, the Law on e-commerce, and the Law on Consumer Protection.

2. *What is the landscape for private enforcement of consumer rights in the context of e-commerce?*

Private enforcement of consumer rights in North Macedonia can be sought through:

- **Consumer Complaints:** The Law on Consumer Protection stipulates a right for consumers to file an official complaint with the e-commerce business, if they consider their rights to be violated. Therefore, e-commerce websites should clearly and visibly inform consumers of their right to file consumer complaints;
- **Consumer Litigation Disputes:** This method of resolution of consumer disputes is envisaged as a last resort and e-commerce businesses are required to try to resolve these disputes peacefully, either by negotiating directly with the consumer or using alternative methods like mediation, rather than immediately going to court;
- **Alternative Dispute Resolution (out-of-court dispute resolution):** Consumer disputes can also be resolved through arbitration, mediation or with facilitation of the authorised bodies for the protection of collective rights and interests of consumers; and
- **Authorised bodies for the protection of collective rights and interests of consumers**

These entities have the authority to initiate legal proceedings to protect collective interests and consumer rights against e-commerce business that, through specific activities or failures to act, significantly violates or seriously threatens the collective interests and rights of consumers

VII. Upcoming changes in e-commerce

1. *Are there legal developments on the horizon of relevance to e-commerce businesses?*

There is no publicly available information regarding legal developments in the near future affecting e-commerce businesses.

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Poland

I. E-commerce sector – fact and figures

1. Recent growth and trends in e-commerce

When it comes to the constant growth in e-commerce in the retail trade, Poland is no exception, positioning itself as a significant e-commerce hub in Europe.

According to Euromonitor's data, the size of the Polish market for electronic transactions was estimated at only EUR 0.3 billion in 2004. By 2018, the market had grown to EUR 6.8 billion, whereas currently the Polish Chamber of Commerce estimates that it could be worth over EUR 20 billion this year. It means that the last few years brought an almost 200% increase in market value.

Polish internet users are more willing to purchase goods/services not only in local e-stores (75% of Polish internet users covered by the Gemius e-commerce report for 2024 declared that they were customers of local e-stores, compared to 60% in 2019), but also in e-stores outside Poland (36% in 2024 vs. 26% in 2019).

At the same time, the largest percentage share in various product categories invariably includes:

- textiles, clothing, and footwear: 16%
- furniture, electronics, household appliances (RTV, AGD): 14.1%
- press, books: 10.2%.

The growing role of the e-commerce market has also led to actions by certain authorities aimed at adapting to this changing retail landscape. For example, the Polish Consumer Authority is implementing the "Detecting and combating dark patterns using AI" project aimed to help develop a tool that will automatically detect prohibited practices used on e-commerce sites. This is another innovative project of the authority, following the use of an AI-powered tool to detect abusive clauses in e-commerce T&Cs.

II. Setting-up e-commerce business

1. *Is the established local presence of a foreign company required to start selling online?*

Under Polish law, companies with their registered seat in an EU Member state may “temporarily” provide services / sales to Poland without local registration. There is no clear-cut rule on defining the “temporality”; however, directing activities to Polish consumers (e.g. by offering a Polish language version of a website or targeting marketing to Poland) may be considered as permanent operations (rather than temporary) operations. This would trigger the requirement to establish a subsidiary or local branch. Determining whether the operations are permanent rather than temporary requires a case-by-case assessment.

If the company has its registered seat outside the EU, the rules of providing online sales or services to Poland will depend on the principle of reciprocity and international contracts.

In any event, selling from abroad may require tax registration even without an established local presence.

What is also important is that where commercial activity specifically targets Polish consumers, e.g. the website offers a Polish language version, or advertising or marketing is directed at consumers in Poland, the activity must comply with Polish consumer regulations, even if the business entity does not have an established presence in Poland.

2. *Are there any licence/permit requirements applicable to e-commerce businesses?*

As a rule, Polish law allows business entities to freely participate in e-commerce business. Starting such activity does not involve any additional obligations in terms of licensing requirements compared to traditional retail activity. In practice, there is no need to obtain a license or permit to run an online store.

Of course, specific rules may apply in the case of certain product categories, including an obligation to obtain a relevant authorisation (e.g. in the case of foodstuffs) or license. These product-specific requirements apply uniformly across all sales channels.

3. *What e-commerce specific contracts must be concluded before starting an e-business?*

Even if e-commerce is only an extension of brick-and-mortar activity and the business already has various supply and logistic contracts in place, some specifics for setting up an e-commerce platform must be addressed.

- **Domain name:** A domain name serves as an address for the e-commerce business. A wide choice of domain extensions is available, both national (.pl), and international, which is more suitable for cross-border activity (such as .eu or .com). It is also possible to offer goods via marketplaces.
- **Hosting services:** Sourcing hosting services is a more complex process as there are various options. Hosting services can be acquired in particular as cloud servers, shared webhosting, virtual private servers and dedicated servers.
- **IT-related services:** A smooth ordering process is one of the key elements of creating a good customer experience. To achieve this, an e-commerce business must have an appropriate level of IT services in place.
- **Creative services:** Sourcing creative services is required to set up a website, including both the design and technical aspects of various applications and functionalities (such as invoicing, accounting, marketing tools and customer relationship management).
- **Logistics:** Logistics is the backbone of a successful e-commerce business. The logistics processes include in particular product sourcing, stock (inventory) management, order management, packaging and delivery, as well as management of (and sometimes collecting) product returns.

E-commerce logistics can also be outsourced to a third-party logistics provider. An alternative to the traditional logistics chain is drop shipping. In this model, the e-commerce entity forwards the customer's orders to another company, which fulfils the orders by shipping the items directly to the customer on behalf of the e-commerce entity.

- **Payments:** Cash-on-delivery remains a popular payment method; however, a wide array of electronic and non-cash payments are also available to e-commerce businesses. These include payments by various types of credit and debit cards, quick online transfers, electronic wallets, mobile money, and alternative currency payment processors.

4. Are there specific restrictions that impact on the selection of products offered for online purchase?

Product selection is an important part of an e-commerce business that needs to encompass specific Polish (local) and EU restrictions.

These include product-specific restrictions that apply across all sales channels, such as the obligation to obtain a relevant authorisation when distributing foodstuffs. In Poland, however, there are additional restrictions that apply specifically to an online sales channel, such as a prohibition on distance sales of tobacco, e-cigarettes and certain medicines.

Thus, it is crucial to properly check all the requirements in place concerning the online sale of the relevant products, as complying only with those which apply to brick-and-mortar stores could be insufficient.

III. Legal design – ABC of the online store website interface

1. Defining the audience: does the business need to decide upfront if the ecommerce website addresses consumers and/or professionals?

The business should decide in advance whether the e-commerce site is intended for consumers and/or professionals. This is crucial because different rules apply depending on the target audience, with more restrictive rules for B2C than for B2B transactions.

If the e-commerce website is directed to consumers, the key is to ensure that all consumer rights are observed. This translates into significant differences compared to B2B relations, in particular related to: (i) T&Cs - which must not contain abusive clauses; (ii) the customer journey – which must ensure that all mandatory information is presented at the right moment and is not misleading; and (iii) after-sales rules – ensuring that all consumer rights be observed after concluding a contract, e.g. regarding product returns, liability for defective goods, etc.

On the other hand, if a website is dedicated to businesses only, e.g. sales of equipment to professionals only, consumer regulations will not apply. However, in such case, it should be ensured that the online store is accessible to professionals only.

In addition, Polish law provides certain quasi-consumer protection to sole traders in the case of contracts of a non-professional nature. This should be reflected in the respective policies, help pages, T&Cs, etc., even if the website is dedicated to businesses only.

2. What are the mandatory elements of an e-commerce business website?

There is a significant level of freedom regarding the content and layout of a website. It largely depends on the creativity of the author. However, the law imposes certain obligations that translate into mandatory elements of an e-commerce website. To a certain extent, such mandatory elements would differ, depending on whether a website is directed to consumers or to businesses only.

Obligation	What is required?	How to comply?
Providing services by electronic means	Each e-commerce website needs to stipulate T&Cs for electronically supplied services. Such services not only make it possible to make purchases via the website, but also display the website's content, enabling the customer to create and use the account and all the other features of the website.	Creating T&Cs for providing services by electronic means. These may be part of wider website general T&Cs.

Information obligation	<p>In B2C contracts, the seller is required to provide various pieces of mandatory information before the consumer is bound by a contract.</p> <p>Additionally, certain specific information must be displayed just before the consumer clicks the “buy” button.</p> <p>In contrast, B2B contracts also require mandatory information to be provided, but the scope of these obligations is significantly less compared to B2C contracts.</p>	<p>Creating T&Cs is the most common way to provide all the mandatory information.</p> <p>It is also crucial that the customer journey complies with the law, i.e. the right information is displayed at the right moment and not in a misleading manner.</p>
Cookies	<p>If an e-commerce website uses cookies or similar technologies, it must fulfil the information obligation. Moreover, if the e-commerce website uses advertising, tracking cookies or similar technology (additional cookies, which are not necessary), then it must obtain the user’s consent before accessing the website.</p>	<p>Creating a cookie policy is the most common way to provide all required information.</p> <p>Opt-in consent for non-necessary cookies or similar technologies is commonly obtained through cookie banners.</p>
Privacy	<p>E-commerce websites must fulfil their information obligations under the GDPR (Articles 13/14 of the GDPR) and ensure that the processing of personal data complies with the GDPR rules, e.g. that the processing is based on a relevant legal basis.</p>	<p>The product page should be construed in a way that reflects the legal requirements applicable to a specific category. For example, for food products it would be required to display (among others) a list of the ingredients, whereas for electronics it is required to display (among others) the energy efficiency class.</p>
Product information	<p>The law provides for certain requirements regarding what information must be provided (displayed) before the customer makes the purchase. The scope of information may vary, depending on the product category.</p>	<p>The product page should be construed in a way that reflects the legal requirements applicable to a specific category. For example, for food products it would be required to display (among others) a list of the ingredients, whereas for electronics it is required to display (among others) the energy efficiency class.</p>

3. Is it mandatory that the website information be provided in the local language?

In Poland, as a rule, Polish must be used in trading with consumers. This obligation is set out in the Act on the Polish Language and applies to all mandatory documents and information. For non-mandatory information, the key requirement is that it must not be misleading. In practice, a consumer-facing website should be primarily in Polish. The aftersales service should also be available in Polish.

In B2B relations, there is no similar obligation. The website and communication may be in a foreign language.

4. What are the legal requirements for publishing customer reviews?

In B2C relations, Polish law requires that businesses that make available customers’ reviews disclose:

- whether they verify the authenticity of these reviews, and if yes – how they confirm that the reviews are submitted by people who have actually purchased the product or used the service; and
- whether all reviews, including negative ones, are published.
- Polish law also blacklists certain practices related to customer reviews; the following will always be regarded as unfair commercial practices:
 - unreliable reviews – implying that consumer reviews are genuine when the business has not taken reasonable and proportionate steps to verify them;
 - falsified reviews – posting or ordering another person to post false reviews; or
 - manipulated reviews – distorting customers’ reviews to promote products.

5. What elements of the store interface could be considered as dark patterns?

While Polish law does not provide for any definition of dark patterns, based on the definition provided in EU Digital Services Act (2022/2065), these are deceptive practices that significantly distort or intentionally limit users' ability to make independent and informed choices. In Poland, the use of such manipulative techniques is prohibited and may constitute a violation of consumer protection law.

In Poland we are observing an increased focus on enforcement of the use of dark patterns. The Polish Consumer Authority is currently implementing the "Detecting and combating dark patterns using AI" project aimed to help develop a tool that will automatically detect prohibited practices used on e-commerce sites.

At the same time, the issue of dark patterns was addressed in several decisions issued by the Consumer Authority, prohibiting for example the adding of unexpected mandatory charges at the last stage of the purchasing process (drip pricing), or automatically adding additional products to the shopping basket without the consumer's consent (sneak into basket).

Other examples of practices considered as dark patterns include:

- false countdown timers or banners: display of countdown timers in online stores next to promotions to give the illusion that an offer is for a limited time, whereas timers reset when the page is refreshed or when a new day begins;
- preselection: options that are more profitable for the business, such as a more expensive subscription or a longer subscription period, are preselected by default, making it easier for consumers to select them unintentionally;
- social proof: use of terms like "X number of products sold", "X people are viewing this right now", or "most popular" to denote the false demand of a certain product or service by other consumers.

IV. Marketing & promotions

1. What are the key requirements for announcing and running price promotions?

As a result of the implementation of the EU Omnibus Directive, starting 1 January 2023, for an announcement of a price promotion, the seller is obliged to present the lowest price applicable in the last 30 days before the price reduction, next to the currently applicable price.

The above requirement applies in Poland to both the sales of goods and provision of services.

The Polish Consumer Authority has issued detailed guidelines explaining specific requirements on how to calculate and display the lowest prior price.

For example, under the guidelines, a specific label to ensure compliance must be used – "Lowest price in 30 days prior to reduction" (PL: "*Najniższa cena z 30 dni przed obniżką*"). The other requirements cover issues such as how many strikethrough prices can appear in a webstore interface or how to present and calculate saving claims.

In some respects, the Polish guidelines differ from the guidelines issued by the European Commission on the same matter. For example, in Poland certain conditional or combined offers are treated more strictly than at the EU level.

Consequently, businesses running price promotions in Poland are advised to review their standard promotion schemes and displays, to adjust these to Polish-specific rules.

2. Is explicit consent required for marketing communications?

In Poland, providing marketing communications via electronic (e.g. emails, push notifications) and telecommunication (e.g. SMS) channels requires an opt-in consent by customers as recipients. Contrary to the opt-out model, the opt-in model means that the sender can only send marketing via the mentioned communication channels if it obtains prior and voluntary consent from a designated recipient for the given communication channel.

A marketing opt-in should meet the GDPR-consent standard. This means that such consent should be a freely given, specific, informed and an unambiguous statement or clear affirmative action. One consent must cover one purpose of processing. Moreover, each communication channel must be specified separately, inter alia with separate checkboxes for each communication channel.

A clear affirmative action means that a deliberate and specific action must be taken to opt in or to agree to the processing. This can be done, e.g. by ticking a box, choosing the relevant settings or signing a consent statement.

3. *What types of promotion activities are under the special scrutiny of local authorities?*

In an era where social media significantly influences consumer behaviour, the Polish Consumer Authority directed its enforcement to combat unfair influencer promotions. It resulted in several proceedings against influencers and companies whose products were advertised, but also in detailed guidelines regarding the labelling of advertising content by influencers. These guidelines address various forms of commercial collaborations, self-promotion (own brand advertising), and the distribution of PR packages.

The Polish Consumer Authority recommended a two-tiered labelling system, encouraging influencers to utilise both the platform's built-in functionalities and additional identifiers (e.g., in post descriptions, images, videos, or within the narrative). It is recommended that labels mirror traditional advertising content, such as [Sponsored Post] #CommercialMaterial (PL: *Post sponsorowany* #*MateriałKomercyjny*), to ensure transparency for consumers.

Another area of increased enforcement is consumer reviews and their authenticity, as artificially inflated ratings can misrepresent a seller's reputation and the quality of its products or services. The Polish Consumer Authority's oversight extends to scrutinizing promotional offers aimed at enhancing engagement metrics, including efforts to increase follower counts, likes, and views on social media platforms.

At the same time, a constant focus of the authority remains on promotional activities that are not transparent (e.g. regarding price benefits or promotion limitations) and could mislead consumers affecting their purchasing decisions.

V. Other key considerations for running e-commerce

1. *Do special rules apply to product returns and defective goods?*

The main difference between online sales and traditional sales is that, as a rule, consumers are entitled to withdraw from an online contract within 14 days of its conclusion, without providing a reason. Business entities must inform consumers of their right to do this, e.g. by providing them with the appropriate withdrawal form. If the business entity fails to do so, the consumer may withdraw from the contract within 12 months. If the consumer withdraws from the contract, she/he is entitled to a reimbursement of the delivery cost but not exceeding the least expensive type of standard delivery offered by the seller.

Regarding the standard "warranty" (i.e. the seller's liability for the conformity of the goods with the contract) and the producer's "guarantee", the same rules apply in Poland to both traditional and online sales.

2. *What are the main competition risks in online selling?*

Polish competition law mirrors EU legislation. The general approach is that, in principle, every distributor should be allowed to use the Internet to sell products; preventing them from effectively using the Internet to sell goods is a hardcore restriction.

In this context, it is inadmissible not only to impose on a distributor a direct ban on online sales (e.g. a strict prohibition on operating own e-store) but also to restrict the use of an entire online advertising channel (which is considered to be the equivalent of an Internet sales ban). Online advertising channels are services that do not provide a direct purchasing functionality but re-direct customers to the e-stores, such as price comparison services or search engines.

On the other hand, it may be permitted to impose requirements on the distributor related to the manner in which the goods are to be sold online. Restrictions relating to the use of particular online sales channels (e.g. marketplaces), or the imposition of quality standards for online sales (e.g. display requirements) can generally benefit from a block exemption, provided that they are not indirectly aimed at preventing the effective use of the internet to sell goods or services.

3. Are there specific legal considerations relevant to the financial services provided to e-store customers (e.g. payment processing services)?

Generally, regular e-commerce stores do not fall under financial services regulations. However, the processing of customer payments constitutes a regulated activity. While there are several providers of such services operating on the Polish market, when using the same provider as one operating in other European Union jurisdictions, passporting the providers' services is required in accordance with Directive (EU) 2015/2366 (Payment Services Directive 2).

VI. Legal enforcement in e-commerce

1. What relevant authorities are responsible for legal enforcement with regard to e-commerce businesses?

In Poland, no authority specialises in e-commerce only. As in the case of brick-and-mortar sales, the key actor in the consumer protection system is the Polish Consumer Authority which is the most important authority responsible for the enforcement of consumer rights. The authority challenges and penalises: (i) infringements of collective consumer interests; and (ii) the use of abusive clauses in consumer contracts and T&Cs. The authority also plays a significant role in the product safety system by carrying out general product surveillance.

The Trade Inspectorate is a body responsible for consumer protection and product safety, with a focus on retail activity. It acts mainly on day-to-day issues such as packaging, labelling, general product quality or consumer communication and information.

Regarding personal data protection issues, the President of the Personal Data Protection Office is the only authority entitled to provide expert advice and issue opinions on data protection, as well as to enforce and issue fines for non-compliance with data protection law.

2. What is the landscape for private enforcement of consumer rights in the context of e-commerce?

In Poland, consumers can seek to enforce their rights before a civil court, either individually or by way of a class action.

In 2024, Poland implemented the Representative Actions Directive, significantly strengthening consumer rights. Under this framework, consumers can pursue two types of claims—injunctive measures and redress measures—through authorized entities, such as recognized NGOs. The Polish Consumer Authority is responsible for maintaining the register of authorized entities. To initiate a class action, at least 10 consumers must come together to file a claim. An "opt-in" form applies, meaning that consumers must actively express their desire to participate in the proceedings.

In terms of alternative dispute resolution (ADR) in Poland, an out-of-court settlement of consumer disputes related to sales requires the consent of both parties to the dispute: the consumer and the business entity. If the seller rejects the consumer's complaint, it must inform the consumer that it does not consent to ADR. The absence of a declaration from the trader is treated as consent to participate in such proceedings. In addition, all online traders must provide a link on their websites to the Online Dispute Resolution platform, regardless of whether they intend to use the platform or not.

A significant role in the private enforcement of consumer rights is played by consumer organisations and consumer ombudsmen which, in general terms, support consumers in asserting their rights. The most active consumer organisations in Poland are the Association of Polish Consumers, the European Consumer Centre, and the Consumer Federation. They provide consumers with free legal advice and undertake various educational and information campaigns.

VII. Upcoming changes in e-commerce

1. Are there legal developments on the horizon of relevance to e-commerce businesses?

Legal developments relevant to e-commerce in Poland are mainly driven by changes at EU level, which have an impact on online traders.

The European Union is actively developing legislation to support the green transition, with the aim of achieving climate neutrality by 2050. As part of this broader trend, new regulations are being introduced to reduce the environmental impact of consumption in various sectors, including e-commerce.

Initiatives such as the *Empowering Consumers for the Green Transition Directive (2024/825)*, which must be transposed by Member States by 27 March 2026, and the proposed Green Claims Directive (which is still undergoing the legislative process), impose strict requirements on businesses regarding the substantiation and transparency of environmental claims. The new legislation explicitly prohibits greenwashing, where companies exaggerate or misrepresent their environmental efforts. These rules apply to all such claims, not only those related to the products themselves but also to other aspects of the value chain, such as claims about more sustainable deliveries by e-stores.

In addition, the *Right to Repair Directive (2024/1799)* promotes product durability and repairability, aiming to reduce the need for constant product replacement by encouraging repairs rather than replacing products with new ones. Member States have to transpose it into national rules and apply it from 31 July 2026.

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Romania

I. E-commerce sector – fact and figures

1. Recent growth and trends in e-commerce

In recent years, the e-commerce market in Romania has experienced spectacular growth and according to the data presented in the Romanian Association of Online Stores 2023 Report, it has reached almost EUR 10 billion in total online sales volume. This impressive figure puts Romania in third place among the countries of Central and Eastern Europe in the size of e-commerce market.

According to European E-commerce 2023 Report, Romania ranks third among EU member states in Central and Eastern Europe in terms of online sales. E-commerce accounts for 3.17% of the country's GDP, placing Romania in 12th on the European continent out of the 37 countries analysed.

Despite the remarkable progress made in 2023, the Romanian e-commerce market still has potential for growth. Compared to other Central and Eastern European countries, Romania is in a favourable position, but there remain opportunities for improvement and innovation. Compared to other countries in the region, Romania stands out for the dynamism of its e-commerce market, generating almost 60% of online sales in Eastern European countries.

For 2024, the upward trend in Romania's e-commerce market is expected to continue. New technological innovations and new strategies are expected to happen to improve the online shopping experience. Furthermore, new services and functionalities are expected to be introduced that will help strengthen the relationship between merchants and consumers and stimulate online sales growth.

II. Setting-up e-commerce business

1. Is the established local presence of a foreign company required to start selling online?

Foreign companies can sell their products or services online without setting up a legal entity in Romania. However, if a foreign company carries out certain activities in Romania that are connected to online sales, this could trigger tax obligations such as registration for tax purposes. A case-by-case analysis should be conducted to determine if the activities to be carried out in Romania would lead to tax obligations for the foreign legal entity engaged in online sales.

However, if the foreign company decided to have a local presence in Romania, the most common type of entity would be a limited liability company.

Even if e-commerce retailers are not obliged to have a local presence, selling online would still require that they comply with local consumer protection legislation, in particular when online sales target Romanian consumers directly, e.g. the online retailer has a Romanian domain webpage.

2. Are there any licence/permit requirements applicable to e-commerce businesses?

As a rule, distance sales of products and services are allowed without a dedicated licence, authorisation or permit, so selling online in Romania is not subject to such conditions.

Nonetheless, Romanian regulations provide special requirements for the sale of particular types of products such as foods, supplements and medicinal products, in which case the online selling entity should obtain the relevant authorisations/registrations from the competent Romanian authorities before carrying out sales of the respective types of products. Those requirements are not specific to online sales and apply to all sales channels. Similarly, depending on the activities carried out in the country, certain environmental authorisations or registration with the relevant environmental authority may be required.

3. What e-commerce specific contracts must be concluded before starting an e-business?

Even if e-commerce is only an extension of brick-and-mortar activity and the business already has various supply and logistic contracts in place, there are some specifics for setting up an e-commerce business. These include:

- **Domain name:** A wide choice of domain extensions is available, both national (.ro), and international, potentially more suitable for cross-border activity (such as .eu or .com). It is also possible to offer goods via marketplaces. Depending on the domain name, specific formalities might be required (such as in the case of .ro, where certain formalities for registration, and management are mandatory).
- **Hosting services:** Sourcing hosting services is a more complex process as there are various options to choose from. Hosting services may be acquired as cloud servers, shared webhosting, virtual private servers or dedicated servers.
- **IT-related services:** A smooth ordering process is one of the key elements of creating a good customer experience. To achieve this, the e-commerce business must ensure an appropriate level of IT services, including strict data privacy standards.
- **Creative services:** Sourcing creative services is required to set up a website, including both the design and technical aspects of various applications and functionalities, such as invoicing, accounting, marketing tools and customer relationship management.
- **Logistics:** Logistics may be seen as the backbone of a successful e-commerce business. The logistics processes include product sourcing, stock (inventory) management, order management, packaging and delivery, as well as management of (and sometimes picking up) product returns. E-commerce logistics can be sourced in-house or outsourced to a logistics provider.
- **An alternative to the traditional logistics chain is dropshipping:** In this model, the e-commerce entity forwards customers' orders to another company, which fulfils the orders by shipping the items directly to the customer on behalf of the e-commerce entity.
- **Payments:** Cash-on-delivery payments are being replaced by an array of electronic and non-cash payments. These include payments by various types of credit and debit cards, online transfers, electronic wallets, mobile money and alternative currency payment processors.

4. Are there specific restrictions that impact on the selection of products offered for online purchase?

Product selection may be limited by various types of restrictions, such as legal/regulatory restrictions, e.g. a specific local licence is required to sell medicinal products in Romania, a specific notice is required to sell medical devices, or operational restrictions, e.g. supply chain limitations to ship heavy or bulky items.

Regarding legal restrictions, these may consist of product-specific restrictions that apply to all sales channels, such as the obligation to obtain a relevant authorisation to distribute foodstuffs, or restrictions specific to online sales channels, such as the prohibition on distance sales for certain medicines.

Restrictions are imposed on online sale of certain products, including cross-border distance selling of tobacco products, e-cigarettes and refill bottles to consumers in Romania, which is prohibited.

Other requirements may relate to the age of the customers and may require the implementation of restrictions or verifications regarding access by minors.

It is crucial to properly check all requirements in place applicable to online sales of the relevant products. Complying with those requirements that apply to brick-and-mortar stores could prove insufficient.

III. Legal design – ABC of the online store website interface

1. Defining the audience: does the business need to decide upfront if the ecommerce website addresses consumers and/or professionals?

Yes. If the e-commerce website is available to consumers for B2C sales, all consumer rights provided under local legislation must be observed. This involves significant differences compared to business-to-business (B2B) relations, in particular regarding the T&Cs applicable to the B2C relations, e.g. so that they do not contain abusive clauses as defined under consumer legislation, and all mandatory information is made available to the customer in advance of placing the order, both in terms of contractual information and data privacy rules. In addition, all mandatory post-contractual consumer rights under local law should be observed, e.g. regarding product returns and liability for defective goods.

On the other hand, if a website is dedicated to businesses only, e.g. equipment sales to professionals, consumer regulations will not apply, but distinct legal issues should be considered such as the avoidance of unfair trading practices. In addition, the business operator should ensure that the online store is accessible only to those professionals.

To conclude, the decision regarding the audience of the website impacts the legal obligations that the business should comply with. This decision may also impact the technical setup of the website. For those reasons, this matter should be considered and decided at an early stage.

2. What are the mandatory elements of an e-commerce business website?

Romanian law does not regulate a certain look or layout for an e-commerce website. However, the law imposes certain obligations that translate into mandatory elements of an e-commerce website. To some extent, such mandatory elements would differ depending on whether a website is available to consumers or to businesses only.

Obligation	What is required?	How to comply?
Providing services by electronic means	Each e-commerce website needs to stipulate T&Cs for electronically supplied services. Such services not only make it possible to make purchases via the website, but also display the website's content, enabling the customer to create and use an account and all the other features of the website.	Creating T&Cs for providing services by electronic means. These may be part of the T&Cs for online sales.
Mandatory information directly on the website	A website should contain a variety of information such as name of the provider, headquarters, telephone, fax, email, registry number, fiscal identification code, price related information, other information depending on the provider (whether it is subject to authorisation or has a regulated profession). For B2C websites, information on contacting the Consumer Protection Authority and on alternative dispute resolution should also be displayed (in the form provided by law).	The information should be placed on the website, accessible to users. In the case of users that are consumers, the information should be placed at the first contact with the trader's presentation, before the order is placed, so that the information is easily identifiable.
Information obligation before concluding a contract	In B2C contracts, the seller is obliged to fulfil various consumer information obligations before the consumer can be bound by a contract. Moreover, certain specific information must be displayed before consumer clicks the 'buy' button. In B2B contracts, certain information must also be provided, but its scope is significantly less. This information obligation also includes product information. Depending on the product category, there may be additional requirements as to what product information must be provided (food, electronics, etc.).	Creating T&Cs is the most common way to provide legally mandatory information. Such T&Cs should be made available to the customer (either a consumer or a professional) in advance of concluding the contract, for a valid consent regarding the terms of the contract. The higher information standards specific to consumer contracts should be observed. In addition, users should actively accept the T&Cs. Furthermore, the product page should be construed in a way that reflects the legal requirements applicable to a specific product type.
Cookies	If an e-commerce website uses cookies or similar technologies, it must fulfil information obligations and obtain prior consent for the use of cookies or similar technologies that are not necessary for the transmission of communication or provision of a telecommunications service, or a customer-requested service supplied electronically.	Creating a cookie policy is the most common way to provide all required information. Opt-in for non-necessary cookies or similar technologies is commonly obtained through cookie banners.
Privacy	E-commerce business operators must fulfil their information obligation under the GDPR and ensure that the processing of personal data complies with GDPR rules, e.g. that processing is based on a relevant legal basis.	Creating a privacy policy is the most common way to provide all required information. It should be easily available and visible on the website, in advance of customers' personal data being collected.

3. Is it mandatory that the website information be provided in the local language?

Under Romanian law, all information concerning the products provided to consumers in Romania must (also) be provided in Romanian, therefore a Romanian translation should be provided whenever the information concerning the products is provided in a foreign language. The obligation to make available the information in Romanian does not distinguish between mandatory information (the main features of the products) and voluntary information (information that is provided for marketing proposes).

The law does not distinguish between information provided on hard copies or via online channels, therefore the above applies to all sales channels, including online sales.

The above will apply if the e-store is operated by a Romanian entity, or by a foreign entity whose business targets Romanian consumers, e.g. advertises its products on the Romanian market.

The local language requirements apply only to B2C sales as B2B sales do not fall under this obligation if they are clearly separated from B2C sales, from the legal and operational perspectives.

4. What are the legal requirements for publishing customer reviews?

The trader must provide consumers with access to all product reviews and indicate whether and how the trader ensures that the reviews published are from consumers who have used or purchased the product, as this is considered essential information.

Claiming that product reviews come from consumers who have used or purchased the product, without taking reasonable and proportionate steps to verify that those reviews come from those consumers, or presenting or commissioning another person to present false consumer reviews or recommendations, or misleadingly presenting consumer reviews or recommendations on social media platforms to promote certain products, are considered to be incorrect practices and are therefore forbidden.

5. What elements of the store interface could be considered as dark patterns?

In Romania, several pieces of legislation address dark patterns in online store interfaces, particularly focusing on consumer protection and fair marketing practices. Elements of the store interface that could be considered as dark patterns include, but are not limited to:

- failing to disclose additional costs until the checkout stage, which can mislead consumers about the total price;
- making the procedure for terminating a service more difficult than subscribing to it;
- repeatedly requesting that the recipient of the service make a choice where that choice has already been made, especially by presenting pop-ups that interfere with the user experience;
- giving more prominence to certain choices when asking the recipient of the service for a decision;
- misleading claims about product availability to create a false sense of urgency to buy the product;
- adding additional products to customers' shopping carts without their consent or otherwise automatically opting customers into additional purchases or subscriptions without their explicit consent;
- advertising by using an invitation to buy a product at a certain price, then refusing to present that product or to sell it in order to promote a different product.
- other dark patterns may revolve around data protection, such as (but not limited to):
 - designing the interface in an inconsistent and unclear manner, making it hard for the user to navigate the different data protection control tools and to understand the purpose of the processing;
 - hiding information or data protection control tools or leaving users unsure of how their data is processed and what kind of control they might have over it regarding the exercise of their rights;
 - designing the interface or user journey in a way that users forget or do not think about all or some of the data protection aspects;
 - hindering or blocking users in their process of becoming informed or managing their data by making the action hard or impossible to achieve.

IV. Marketing & promotions

1. What are the key requirements for announcing and running price promotions?

The key requirements are the following:

Promotional offers, such as discounts, prizes, and gifts, should be clearly identifiable, and the conditions for obtaining them must be easily accessible and clearly presented.

The law provides clear requirements applicable to sales at reduced prices, where consumers are notified of a price reduction involving a comparison expressed in figures:

- **Price Comparison:** Merchants must mention the lowest price charged for identical products or services used in the same space within the last 30 days as the benchmark when advertising a discount.
- **Specific Figures:** All price reduction announcements must specify the reduction in figures and be directed to all consumers, with exceptions for comparative price advertising, purely textual ads, launch promotions and limited oral in-store announcements valid for a short period of a sales day.
- **Catalogue Advertising Limitations:** Price reduction offers in catalogues must indicate if they are valid only until stock runs out, with this information clearly displayed.
- **Visibility of Price Reductions:** Price reductions must be clearly presented for each product, in a specific regulated way, i.e., showing either the old price cut alongside the new price, writing new price and old price near the figures or stating the percentage reduction and the old price cut alongside the new price.
- **Prohibition on Misleading Offers:** Discounts cannot be presented as free offerings of parts of products/services.
- **Document Availability:** Merchants must keep legal documentation proving the validity of the reference price for inspections.
- **Prohibition on False Announcements:** Misleading price reduction announcements are considered deceptive and subject to legal sanctions.

Exceptions: The above rules do not apply to price reductions resulting from increased quantities in packaging or an increase in the number of identical products offered for sale in collective packaging.

Additionally, products offered at reduced prices within three days of their expiration date must be displayed clearly and accurately informed to consumers. Non-compliance is deemed an unfair commercial practice.

Other specific requirements are provided depending on the type of the price reduction, e.g. liquidation sales, clearance sales, promotional sales.

2. Is explicit consent required for marketing communications?

Yes, Romanian law provides the obligation to obtain explicit consent for “commercial communications” such as marketing communications. For online channels, the requirement for explicit consent would be satisfied by methods such as opt-in (ticking a box when visiting an internet website) or double opt-in (after ticking the box, the user is required by email to confirm his/her interest again).

In addition, the legal entity collecting the consents should comply with the legal requirements under personal data protection legislation, e.g. under the GDPR, consent must be freely given by a clear affirmative act and must be specific, informed and unambiguous.

Unsolicited commercial communications via automated systems, fax, email, or other electronic communication services are prohibited unless the recipient has given prior express consent. However, businesses may use a customer’s email obtained during a product or service sale for marketing similar products, provided a clear and free opt-out option is offered both at the time of data collection and in each message. Commercial emails must not hide the sender’s identity, must include a valid address for opt-out requests, and must not promote unlawful websites.

Commercial emails require prior express consent from recipients. Permissible communications must clearly identify the sender, promotions, and contests, with easily accessible and transparent terms.

3. What types of promotion activities are under the special scrutiny of local authorities?

In Romania, the consumer protection authority conducts extensive and thorough controls, and no specific type of promotional activity is singled out for increased scrutiny. However, we have observed heightened attention to websites during Black Friday periods. The authority is particularly focused on ensuring that the promotion's duration is clearly stated and that discounted prices are compared to the lowest price offered in the previous 30 days.

V. Other key considerations for running e-commerce

1. Do special rules apply to product returns and defective goods?

A consumer may withdraw from a contract within 14 days. If they are not informed of the right to withdraw, the period for the withdrawal will be extended by 12 months after the expiration of the initial period. The products should be returned within 14 days from the date of the withdrawal, and, at the same time, the seller should return the price within the same timeframe.

Regarding the minimum legal warranty that covers the seller's liability for defective products, the same rules apply to both traditional and online sales. Consumers have a legal right to a two-year warranty, at no cost, for products that are faulty or not as described. Additionally, the seller or manufacturer may offer an extended warranty through a commercial warranty, which, once granted, becomes legally binding.

2. What are the main competition risks in online selling?

Online selling is subject to competition risks, both from the viewpoint of anti-competitive agreements as well as potential abuse of a dominant position. In general, Romanian competition law is consistent with EU competition law.

Particular concerns were raised by the Romanian Competition Council in some reports issued regarding e-commerce. In particular, the authority stressed that the mechanisms for competition through pricing policies in discount promotions are often distorted, and the framework for referencing prices offered to customers is compromised. The Council recommended that online retailers, in order to ensure a fair reporting framework to their own customers, should integrate a transparent price history reporting system on their platforms.

The authority also imposed a fine on a Romania-based online marketplace operator for abuse of dominance as it acted to position and display its own products more favourably than (and to the detriment of) the products of its partners who were selling on the platform and with whom it was directly competing.

In a specific study on Big Data in Romania, the Competition Council identified potential risks to the competitive environment from the use of Big Data technologies. For example, by using identical algorithmic models and a common database, companies can align their prices in real time with those of their competitors and thus artificially high prices can be maintained to the detriment of consumers. Competition on the market can also be restricted by restricting or denying access to data to competitors or by making access to data conditional on the use of their own analytics services.

3. Are there specific legal considerations relevant to the financial services provided to e-store customers (e.g. payment processing services)?

A legal framework on the transposition of the EU Directive 2015/2366 on payment services in the internal market (the "Payment Services Directive 2") was adopted in Romania in 2019. This legal framework imposes specific requirements on payment services providers and regulates the processing of customers' payments through electronic means, which is particularly relevant to e-commerce.

VI. Legal enforcement in e-commerce

1. What relevant authorities are responsible for legal enforcement with regard to e-commerce businesses?

Main authorities:

- Authority for the Digitalisation of Romania
- National Authority for Consumer Protection
- National Authority for Management and Regulation in Communications

Other authorities may also apply specific sanctions such as the National Supervisory Authority for the Processing of Personal Data, National Police, and the National Authority for Tax Administration.

2. What is the landscape for private enforcement of consumer rights in the context of e-commerce?

Private enforcement of consumer rights, i.e. individually initiated litigation, is possible in Romania for harnessing consumers' e-commerce rights. Under Romanian law, consumers are free to raise claims before local courts regarding e-commerce, such as requesting the performance of or refraining from certain acts, and the payment of damages by the e-commerce operator acting in breach of the law. Such consumer claims are exempted from court fees. Private enforcement of consumer rights includes the right to claim interim measures.

In December 2023, Romania transposed EU Directive 2020/1828 on the conduct of representative actions for the protection of the collective interests of consumers. Therefore, consumers may act in court either individually or through a class action.

The out-of-court settlement of e-commerce disputes is also possible. A link to an online dispute resolution platform should be provided on a website.

VII. Upcoming changes in e-commerce

1. Are there legal developments on the horizon of relevance to e-commerce businesses?

On a national level, no. However, it is expected that Romania will adopt legislation to transpose the legislation developed at the EU level, namely Directive 2024/825 on Empowering consumers for the Green Transition, which must be transposed by 27 March 2026.

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Serbia

I. E-commerce sector – fact and figures

1. Recent growth and trends in e-commerce

E-commerce in Serbia has seen remarkable growth, especially in recent years. Even before the COVID-19 pandemic, online shopping was on the rise. A 2019 report by the Bureau of Statistics of Serbia indicated a 33% increase in online shoppers, with over 1.8 million citizens purchasing goods and services online, a jump from 1.2 million in 2018. Popular purchases included clothing, electronics, and tickets for cultural events. Despite this, many Serbian consumers still preferred offline payment methods, such as cash-on-delivery, at that time.

The global pandemic, however, catalyzed a more profound shift in consumer behaviour, propelling e-commerce to new heights. From March to July 2020, e-commerce activity in Serbia doubled compared to the same period in 2019. This surge helped to break down consumer hesitancy towards online payments, which had been a barrier in earlier years.

By 2023, Serbia's e-commerce market continued to expand, with revenues expected to reach \$936 million by 2024, representing a strong annual growth trajectory. Key product categories included electronics, fashion, and groceries, with mobile commerce and social media increasingly playing pivotal roles in shaping shopping habits. Major e-commerce platforms reported significant revenue growth, reflecting the larger digital shift.

The timely 2019 amendments to Serbia's Law on Electronic Commerce ("E-Commerce Law") proved crucial in supporting this transformation. These changes created a legal framework that could accommodate the rapid growth in e-commerce, and the pandemic served as a test case for the law's adaptability. With continued expansion, e-commerce in Serbia is projected to remain a relevant driver of the economy.

II. Setting-up e-commerce business

1. *Is the established local presence of a foreign company required to start selling online?*

Foreign entities are permitted to offer goods or services to Serbian consumers without establishing a local presence. For foreign companies seeking to establish a more permanent presence, they are free to create a local branch or entity, regardless of whether their sales occur online or in physical stores.

Nevertheless, companies that operate from abroad may be subject to certain tax obligations, such as VAT registration. In some instances, appointing a VAT attorney or representative may be necessary even in the absence of an established local entity. This ensures compliance with Serbian tax laws, particularly in cases where the scope of activities triggers local tax liabilities.

2. *Are there any licence/permit requirements applicable to e-commerce businesses?*

Generally, no specific licenses or permits are required for companies to establish an online presence in Serbia. However, there are exceptions depending on the type of products or services being offered. For instance, businesses selling regulated items like dangerous chemicals must obtain the appropriate permits. Similarly, conducting online gambling requires a concession or permit for organising games of chance.

3. *What e-commerce specific contracts must be concluded before starting an e-business?*

Even if e-commerce is only an extension of the bricks-and-mortar activity, and the business already has various supply and logistics contracts in place, there are some specifics for setting up an e-commerce platform that should require consideration.

- **Domain name:** The domain name serves as an address for the e-commerce business. A wide choice of domain extensions is available, both national (.rs), and international, more suitable for cross-border activity (such as .com). It is also possible to offer goods via marketplaces.
- **Hosting services:** Sourcing hosting services is a more complex process as there are various options. Hosting services can be acquired in particular as cloud servers, shared webhosting, virtual private servers and dedicated servers.
- **IT-related services:** A smooth ordering process is one of the key elements of creating a good customer experience. To achieve this, the e-commerce business has to ensure an appropriate level of IT services.
- **Creative services:** Sourcing creative services is required to set up a website, including both design and the technical aspects of various applications and functionalities, such as invoicing, accounting, marketing tools and customer relationship management.
- **Logistics:** Logistics is the backbone of a successful e-commerce business. The logistics processes include in particular product sourcing, stock (inventory) management, order management, packaging and delivery, as well as management of (and sometimes picking up) product returns.
- **E-commerce logistics may also be outsourced to a third-party logistics provider:** A new alternative to the traditional logistics chain is dropshipping. In this model, the e-commerce entity forwards customers' orders to another company, which fulfils the orders by shipping the items directly to the customer on behalf of the e-commerce entity.
- **Payments:** Cash on delivery remains a popular payment method; however, a wide array of electronic and non-cash payments are also available to e-commerce businesses. These include payments by various types of credit and debit cards, quick online transfers, electronic wallets, mobile money, and alternative currency payment processors.

4. Are there specific restrictions that impact on the selection of products offered for online purchase?

Specific restrictions apply concerning products and services that are restricted or banned for sale in Serbia. Such goods may not be sold, including illegal drugs and unregistered firearms.

The second set of restrictions pertains to the sale of certain goods that can only be bought and sold by licensed or approved entities, such as explosives, specific chemicals, radioactive materials, and similar products.

The third category includes products that require licensing or inspection, such as medicines, supplements, or similar items, which need prior approval from an inspector or agency before they can be sold in Serbia.

Additionally, restrictions apply to products such as alcohol, which require verification that the buyer is over 18 years old; this requirement may pose practical enforcement challenges.

III. Legal design – ABC of the online store website interface

1. Defining the audience: does the business need to decide upfront if the ecommerce website addresses consumers and/or professionals?

There is no specific obligation; however, if the e-commerce website targets consumers, it is essential to ensure that all consumer rights are upheld. This is significantly different from B2B relations, as every aspect of the transaction must ensure that crucial information and all consumer rights are respected both before and after the contract is concluded, particularly concerning product returns, liability for defective goods, and similar matters.

Conversely, if a website is dedicated solely to businesses, such as one selling equipment exclusively to professionals, consumer regulations will not apply. In this case, it must be ensured that the online store is accessible only to professionals, which can be challenging. This is especially true when the e-commerce website is established as an entity abroad, as such barriers may conflict with or complicate compliance with personal data protection laws.

2. What are the mandatory elements of an e-commerce business website?

The law does not impose any restrictions on the content or layout of an e-commerce website. However, it does establish several requirements concerning the information that must be provided to the buyer before the purchase contract is concluded. This information includes:

- the procedures envisioned when concluding the contract;
- contractual provisions;
- general business terms/conditions, if they are an integral part of the contract;
- languages offered in which to conclude the contract;
- codes of conduct in accordance with which service providers act and how these codes can be reviewed electronically;

The e-commerce business is also obligated to provide technical means for all potential consumers/users to view the entered data and correct any errors before submission.

Thus, despite nearly complete freedom in website design, it is necessary for a website to provide the stated necessary information to the consumer as well as any other possibly relevant information when making a purchase.

3. Is it mandatory that the website information be provided in the local language?

There is no such requirement in the Law, however, the website must display the languages it offers for concluding the contract and the consumer/user must understand what he/she is buying/requesting. Furthermore, the obligation exists to state the languages in which the contract is offered.

4. *What are the legal requirements for publishing customer reviews?*

There are no specific requirements for publishing customers reviews.

5. *What elements of the store interface could be considered as dark patterns?*

The concept of a 'dark pattern' is not yet defined in law. There is only a general ban on misleading advertising.

IV. Marketing & promotions

1. *What are the key requirements for announcing and running price promotions?*

According to the Trade Law, it is prohibited to advertise price reductions for goods in such small quantities that it is evident the seller intends to attract customers to purchase different products. An exception to this rule applies when the seller clearly indicates the available quantities at the beginning of the sales promotion.

Clearance sales may be conducted in situations where the trader is closing its business, specific outlets, or discontinuing the sale of certain products. The seller is obligated to physically separate goods subject to clearance sales from other products sold under regular terms. From the commencement of clearance sales until their conclusion, the seller cannot order or increase the stock of products offered through the clearance sales.

A price reduction campaign cannot last longer than 31 calendar days.

Seasonal sales periods are regulated by law. The Trade Law provides for two seasonal sales periods per year, which are fixed annually. The winter sales period may commence from December 25 until January 10, while the summer sales period may commence from July 1 until July 15. During these sales periods, the seller may initiate seasonal sales that can last a maximum of 60 calendar days.

2. *Is explicit consent required for marketing communications?*

Explicit consent is required for sending marketing communications through electronic means (such as emails and SMSes) for which the data is obtained through registration or other means when the user is using the e-commerce website.

3. *What types of promotion activities are under the special scrutiny of local authorities?*

- Price reductions
 - clearance sale
 - seasonal sales promotion
 - price promotion (i.e., price reduction)
- Loyalty programs
- Free products and coupons
- Introductory offer price

V. Other key considerations for running e-commerce

1. *Do special rules apply to product returns and defective goods?*

Rules regarding defective goods under the Consumer Protection Law apply to e-commerce and a special provision regarding distance contracts also applies. We would highlight the right of the consumer/user to withdraw from the contract within 14 days of its conclusion as a distance contract specific right of the consumer/user.

2. *What are the main competition risks in online selling?*

There are no specific risks which are associated with competition laws in Serbia. Serbian laws follow EU trends and limit business practices which restrict competition or provide grounds for the abuse of a dominant position in the Serbian market. Therefore, notwithstanding restrictions regarding the sale of certain items which are prohibited or require a licence, there are no restrictions to sell or offer services.

3. Are there specific legal considerations relevant to the financial services provided to e-store customers (e.g. payment processing services)?

In Serbia, payment and financial services are governed by the laws and bylaws issued by the Ministry of Finance and the National Bank of Serbia, and the law which regulates this legal area is the Law on Payment Services. There are no specific requirements imposed on e-commerce.

VI. Legal enforcement in e-commerce

1. What relevant authorities are responsible for legal enforcement with regard to e-commerce businesses?

In Serbia, there are no specialized authorities dedicated to e-commerce. The Ministry of Trade is responsible for overseeing all e-commerce activities. Inspection supervision regarding the application of this law is conducted by the Ministry of Trade through market inspectors and inspectors for IT companies, in accordance with this law and the regulations governing inspection supervision. The Data Protection Commissioner oversees all matters related to personal data, and this body is also responsible for enforcing and monitoring data safety.

2. What is the landscape for private enforcement of consumer rights in the context of e-commerce?

Consumers can seek to enforce their rights before a civil court, and the proceedings are to be held rapidly and without delay.

Another option for the consumer for peaceful resolution is to file a complaint electronically, via the internet portal of the National Register of Consumer Complaints and also to seek means of alternative dispute resolution through government mandated bodies which are able to provide arbitration or mediation.

Furthermore, there is also the "Protection of the collective interests of consumers" which is a procedure led by the Ministry of Trade against a seller/service provider which has:

- breached the rights of at least ten consumers, by the same act/in the same way;
- in the case of conducting an unfair business practice under the Consumer Protection Law

VII. Upcoming changes in e-commerce

1. Are there legal developments on the horizon of relevance to e-commerce businesses?

No amendments to the Serbian Law on electronic commerce or other relevant laws have been announced.

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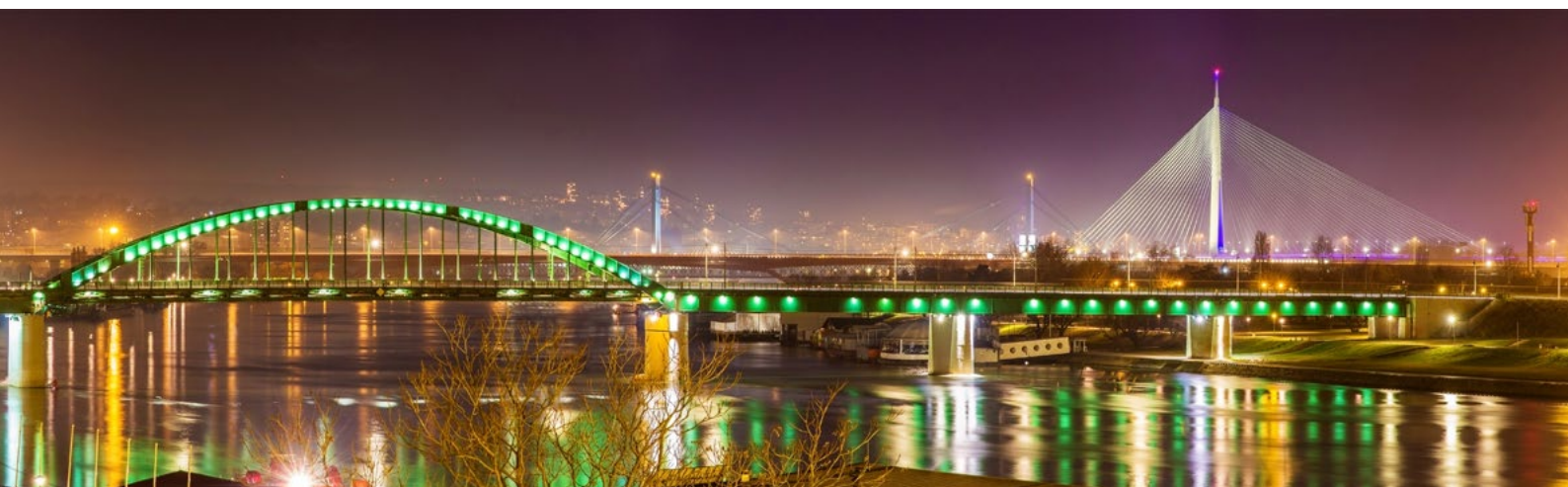


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Slovakia

I. E-commerce sector – fact and figures

1. Recent growth and trends in e-commerce

Slovakia's e-commerce sector continues to show substantial growth, supported by positive economic indicators and increasing consumer demand. The number of e-shops is constantly growing, with mobile purchases making up around 70% of online transactions. This increase reflects broader consumer trends, including rising average order values (up by 8% and 18.5% in Q1 and Q2, respectively) and a year-on-year revenue increase of around 7% in the online shopping sector.

Key e-commerce trends include the expansion of mobile commerce, with voice-assisted shopping gradually gaining popularity, and a consumer preference for eco-friendly brands (favoured by 60% of shoppers). Demand is also strong in specific product categories, with gardening and home goods seeing a 50% sales increase, while traditional media like CDs and DVDs declined due to streaming alternatives. Security features, particularly reliable payment and data protection systems, remain high priorities as consumers continue to embrace online shopping.

II. Setting-up e-commerce business

1. Is the established local presence of a foreign company required to start selling online?

Generally, the seller can provide its products and services online to customers in Slovakia without the obligation to establish a local entity. In other words, an online shop from another EU Member State or a third country can offer its products and services for sale to Slovak customers via an e-shop.

Selling from abroad may require tax registration even without an established presence.

Foreign entities wishing to sell their goods/services online in Slovakia on a regular basis may do so through a subsidiary or local branch. In the EU, the freedom to provide services is granted. However, such activity may not result in circumventing the rules on establishment by unjustifiably invoking the freedom to provide services. According to European Court of Justice case law, the temporary nature of the provision of services is to be assessed in the light of its duration, regularity, periodicity and continuity.

It is important to assess whether a commercial activity targets Slovak customers, e.g. the website is in Slovak, the website has a Slovak domain, and advertising and marketing is directed to customers in Slovakia. If the seller targets Slovak consumers, its activity must be in line with Slovak regulations (especially with Slovak consumer protection laws), including if the seller does not have an established local presence.

2. Are there any licence/permit requirements applicable to e-commerce businesses?

This depends on several factors. If a branch or subsidiary is established in Slovakia, there is a statutory requirement to obtain a trade licence to perform commercial activity. Should the commercial activity be performed on the basis of the freedom to provide services in the EU, no licence from the Slovak Authorities is required.

Specific rules may apply to certain product categories, including the obligation to obtain a relevant authorisation (e.g. in the case of foodstuffs) or licence. However, these are product-specific requirements and apply to all sales channels.

3. What e-commerce specific contracts must be concluded before starting an e-business?

Usually, an e-shop is only an extension of the brick-and-mortar shop. However, where the seller establishes a standard contractual relationship to operate its business, there are specific requirements regarding starting a new e-commerce platform.

- **Domain name:** The domain name serves as an address for the e-commerce business. Both national (.sk), and international extensions, more suitable for cross-border activity (such as .eu or .com), are available.
- **Hosting services:** Sourcing hosting services is a more complex process as there are various options. Hosting services can be acquired as cloud servers, shared webhosting, virtual private servers and dedicated servers.
- **IT-related services:** Setting up and maintaining a new e-commerce platform is a crucial part of starting an e-shop. To achieve this, the e-commerce business has to ensure an appropriate level of IT services.
- **Creative services:** The visual appearance and properly working applications and functionalities are a key element when planning to create a new e-commerce platform.
- **Logistics:** Logistics processes include product sourcing, stock (inventory) management, order management, packaging and delivery, as well as the management of (and sometimes picking up) product returns.

In Slovakia, e-shops usually offer various delivery options. The most popular include the Slovak Post Office, courier services and personal collection from the seller's premises. Many e-shops have recently started offering another delivery option: the seller delivers the package to a company which has a network of delivery points across Slovakia (coffee houses, shops, food markets, newspapers stands, etc.). The customer chooses the nearest delivery point and collects the package there. Such delivery option offers customers flexibility as they do not need wait for a courier and they choose the nearest delivery point.

- **Payments:** Cash on delivery remains one of the payment methods offered by most e-shops; however, a wide array of electronic and non-cash payments are also available to e-commerce businesses. These include payments by various types of credit and debit cards, quick online transfers, electronic wallets, mobile money, and alternative currency payment processors.

4. Are there specific restrictions that impact on the selection of products offered for online purchase?

The seller may be obliged to follow specific requirements depending on the category of products or services. It is therefore very important to: (i) determine the category of offered products/services; and (ii) properly check all requirements which are in place regarding online sales.

Some specific product restrictions may apply to all sales channels (brick-and-mortar shops as well as online sales) such as food distribution, selling alcohol, weapons, drugs, etc. However, it is possible that some additional restrictions may apply to online sales only, e.g. cross-border distance selling of cigarettes.

III. Legal design – ABC of the online store website interface

1. Defining the audience: does the business need to decide upfront if the ecommerce website addresses consumers and/or professionals?

Yes, this decision should be made in advance. If the e-commerce website will address businesses only, a B2B relationship will be established, which is covered by Slovak commercial law. Such relationship is more dynamic and only a few statutory requirements are in place. The vast majority of rights and obligations are subject to an agreement between the parties.

However, an e-commerce website for consumers must be in line with consumer protection regulations, which set out many statutory obligations for the seller regarding information provided before and after concluding a contract, including return policy, etc.

2. What are the mandatory elements of an e-commerce business website?

Slovak law stipulates obligations which must be followed when creating and operating an e-commerce platform. To a certain extent, these mandatory elements differ depending on whether a website is directed to consumers or to businesses only.

Obligation	What is required?	How to comply?
Contact information	Each e-commerce website needs to show some basic information on the seller (business name, registered address, information about its registration with a public authority, tax no.), contact information (telephone number and email address) and information on the supervisory authority.	Include such information on a website, where a customer can easily find it.
Information obligation	In B2C contracts, the seller is obliged to fulfil various information obligations before the consumer is bound by a contract.	Creating T&Cs is the most common way to provide all the mandatory information. It is also crucial that the customer journey complies with the law, i.e. the right information is displayed at the right moment and not in a misleading manner.
Cookies	If an e-commerce website uses cookies or similar technologies, it must fulfil information obligations and obtain consent to use cookies and similar technologies that are not necessary for the transmission of communications, the provision of a telecommunications services, or a requested service supplied electronically.	Creating a cookie policy is the most common way to provide all of the required information.
Privacy	An e-commerce website must fulfil information obligations under the GDPR and ensure that the processing of personal data complies with the GDPR rules, e.g. that processing is based on a relevant legal basis	Creating a privacy policy is the most common way to provide all required information. It should be easily available and visible on the website.

Product information	The law stipulates certain requirements regarding what information must be provided (displayed) before the customer makes the purchase. The scope of information may vary, depending on the product category.	The product page should be construed in a way that reflects the legal requirements applicable to a specific category. For example, for food products it would be required to display (among others) a list of the ingredients and allergens, whereas for electronics it is required to display (among others) the energy efficiency class.
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3. Is it mandatory that the website information be provided in the local language?

In Slovakia, the Slovak language must be used in trading with consumers. The Slovak E-commerce Act also stipulates which information on the website must be translated into Slovak. In B2B relationships, the parties do not have to use Slovak and can agree a foreign language.

Please note that this does not mean that all e-commerce websites available to Slovak customers must automatically be translated into Slovak. For more information about targeting customers and the applicability of Slovak laws, please see our explanation above.

4. What are the legal requirements for publishing customer reviews?

Products reviewed and recommended by other purchasers are generally more appealing to consumers. In accordance with Slovak legislation, traders displaying consumer reviews must indicate whether and by what means they ensure that published reviews originate from verified purchasers or users.

Consequently, there is a need to establish robust procedures for review verification, which involve associating reviews with the personal data of reviewers, who are often anonymous. These verification processes must also comply with GDPR requirements, including transparency obligations, purpose limitation, and other relevant data protection standards.

5. What elements of the store interface could be considered as dark patterns?

There is currently no coherent legal standard in Slovakia or in the EU to regulate dark patterns, as they cut across several areas of consumer policy, from competition to consumer law, data protection to artificial intelligence.

The Consumer Rights Directive prohibits the use of pre-ticked boxes. Certain practices may also fall under the Unfair Commercial Practices Directive, such as labelling goods or services as “free” when payment is actually required, or enticing consumers with appealing prices that are, in reality, unavailable. In Slovak legislation, similar prohibited practices can be found in the Consumer Protection Act under the title Business practices that are considered unfair under any circumstances.

The most common dark patterns include hidden costs, limited offer/supply, confirmshaming, unclear questions or complex wording, (un)forced subscription, bait and switch, hidden advertising, etc.

IV. Marketing & promotions

1. What are the key requirements for announcing and running price promotions?

The Consumer Protection Act, in line with the EU Price Indication Directive, outlines the rules for notifying consumers of price reductions.

When a trader announces a price reduction, it must include the previous price of the goods from the last 30 days or, if the item has been on sale for less than 30 days, the price from the beginning of the sale.

If a trader lowers the price gradually, it can list the original price before any reductions as the “previous price”, regardless of how long the goods have been available for sale.

2. Is explicit consent required for marketing communications?

Under the Slovak E-communication Act, the seller may not deliver commercial communications information via electronic means (e.g. email), unless the customer requested so in advance. In other words, it requires the customer's opt-in.

The marketing opt-in should meet the GDPR-consent standard. This means that such consent should be a freely given, specific, informed and unambiguous statement or clear affirmative action. A separate consent is required for telemarketing and for marketing sent via electronic means.

A clear affirmative action means that a deliberate and specific action must be taken to opt in or to agree to the processing. This can be done, e.g. by ticking a box when visiting a website, choosing technical settings for information society services or signing a consent statement.

3. What types of promotion activities are under the special scrutiny of local authorities?

The Advertising Act specifies categories of goods that are subject to distinct, stricter promotional regulations and designates the authorities responsible for overseeing compliance with these regulations.

These regulations apply to the promotion of alcoholic beverages, tobacco products, weapons and ammunition, pharmaceuticals, as well as infant and follow-on formulas.

V. Other key considerations for running e-commerce

1. Do special rules apply to product returns and defective goods?

The standard 'warranty' (the seller's liability for physical and legal defects) and producer's 'guarantee' apply to brick-and-mortar shops as well as online sales in Slovakia.

Additionally, in online shopping consumers are entitled to withdraw from a contract made on-line within 14 days of its conclusion, without giving a reason. Business entities must inform consumers of their right to do so and provide them with the appropriate form of such statement. If the seller does not inform the consumer of this right, the consumer may withdraw from the contract within 12 months as of the date the product is delivered. Statutory exemptions from such right to withdraw are stipulated in the Act on Consumer Protection regarding Sales of Goods or the Provision of Services Based on Distance and Off-premises Contracts, e.g. goods which deteriorate or expire rapidly, and personalised goods.

If the consumer decides to withdraw from the contract, she/he is entitled to the reimbursement of the delivery cost up to the least expensive type of standard delivery offered by the seller.

2. What are the main competition risks in online selling?

Slovak competition law follows EU legislation, its developments and case law, and there are no special rules in this respect. In general, every distributor must be allowed to use the internet to sell products and must not be restricted in doing so, unless there are serious justifiable reasons, e.g. health and safety concerns always assessed on a case-by-case basis. Manufacturers are permitted to impose quality standards for online distribution in certain justified circumstances. However, as in other distribution channels, restrictions on competition such as RPMs are prohibited.

3. Are there specific legal considerations relevant to the financial services provided to e-store customers (e.g. payment processing services)?

Generally, the provision of financial services via an e-commerce portal is also regulated by the Slovak E-commerce Act (including categories of various financial products or services provided by licensed financial institutions). Consumers are better protected than business entities, and the obligations of financial institutions when providing financial services based on distance contracts are stipulated in the Act on Consumer Protection in Distance Financial Services. Supervision over compliance with such laws is performed by the National Bank of Slovakia.

In the case of payment processing services that are required when operating a standard e-commerce platform, sellers usually enter into contracts with the special entities which arrange for payments and have a special licence. EU payment services providers usually use passporting when providing their services in Slovakia, which means that they do not need to have a licence issued by the National Bank of Slovakia, however they still must notify National Bank of Slovakia of the intention to conduct such services in Slovakia.

VI. Legal enforcement in e-commerce

1. What relevant authorities are responsible for legal enforcement with regard to e-commerce businesses?

Under the Slovak E-commerce Act, supervision over the obligations related to consumer protection is performed by the Slovak Trade Inspectorate. The Slovak Trade Inspectorate reviews and prosecutes all breaches of consumer law. It especially inspects the Terms and Conditions and information obligations of the seller, the process of dealing with complaints, etc. In the case of a minor breach of the obligations, the Slovak Trade Inspectorate may request the seller to refrain from the infringement and take remedial action within a specified period instead of imposing a penalty.

The National Bank of Slovakia is a responsible supervisory authority in the provision of financial services.

Regarding personal data protection issues, the Slovak Data Protection Office is the only authority entitled to enforce and issue fines for non-compliance with data protection law

2. What is the landscape for private enforcement of consumer rights in the context of e-commerce?

In Slovakia, if a consumer is not happy with the provided goods or services, he/she is entitled to contact the seller with a request for redress. Such right of redress may be used if the consumer is not satisfied with the way that the seller resolves his/her complaint or if he/she is convinced that the seller has infringed his/her rights.

If the seller responds or refuses to respond to the request under the previous sentence within 30 days from the date of dispatch, the consumer has the right to seek a remedy via alternative dispute resolution. The consumer must submit the proposal to the competent authority for alternative dispute resolution. The up-to-date list of ADR entities is available on the Ministry of the Economy's website. If consumers have problems with a foreign e-commerce trader, they can file a motion with the European Consumers Centre in Slovakia, which can help to resolve their issue.

Consumers can always enforce their rights before a civil court, even if they have not used ADR proceedings. They can contact a consumer protection organisation, which can also represent the consumer before a court. Consumer protection organisations provide consumers with free legal advice and undertake various educational or information campaigns. There is no consumer ombudsman in Slovakia. The new Slovak Act on class actions (Act No. 261/2023 Coll. on Actions for the Protection of Collective Consumer Interests and Amending and Supplementing Certain Acts), has now been adopted to implement the EU Directive on representative actions. This law allows consumer protection organisations to bring actions on behalf of consumers to protect their collective interests. While collective action mechanisms have long been a topic of discussion, this legislation marks a significant step toward aligning Slovakia with other EU jurisdictions that have clearer collective redress frameworks.

Consumers often mistakenly think that filing a motion with the Slovak Trade Inspectorate will help enforce their civil rights. The Slovak Trade Inspectorate may conduct an inspection of e-commerce website on the basis of such motion, however it is not entitled to help with the enforcement of consumers' civil rights, unless it acts as an ADR subject.

VII. Upcoming changes in e-commerce

1. Are there legal developments on the horizon of relevance to e-commerce businesses?

Legal developments relevant to e-commerce businesses in Slovakia mostly follow from changes at the EU level. Examples of such EU initiatives relevant to online traders include:

- **Digital Operational Resilience Act (DORA):** set to affect financial services in 2025, focuses on cybersecurity, complementing the NIS2 Directive for enhanced security across essential services.
- **Regulation on Union Customs Code and the European Union Customs Authority** The aim of the proposed reform is to alleviate the burden on customs authorities, which have been under significant pressure due to the exponential growth of e-commerce and the introduction of numerous new regulations on products, bans, obligations, and sanctions that the EU has implemented in recent years.

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Slovenia

I. E-commerce sector – fact and figures

1. Recent growth and trends in e-commerce

Slovenian consumers increasingly prefer the convenience of online shopping. After the pandemic, there was a significant increase in purchases made through e-commerce channels. Slovenian consumers are increasingly using smartphones for online shopping and mobile commerce is expected to dominate the Slovenian e-commerce market, with companies adapting by developing mobile-friendly websites and applications.

Sustainability and ethically sourced products have also become a critical factor in the Slovenian e-commerce landscape. Slovenian consumers are demonstrating heightened awareness of environmental issues, prompting businesses to adopt more sustainable practices, which include offering eco-friendly products, using environmentally conscious packaging and promoting greener delivery options.

Slovenian consumers do not limit themselves to purchasing exclusively from domestic online sellers. While the majority of online purchases are made from domestic online sellers, Slovenian consumers are increasingly shopping from international e-commerce sites, especially within the EU. While online payment options are gaining popularity, cash on delivery is still a preferred payment method for many Slovenian consumers.

Fashion and electronics remain the largest segments in the Slovenian e-commerce market, followed by home equipment and furniture, beauty and wellness products and online grocery shopping, which is gradually gaining popularity among Slovenian consumers. There is also a growing demand for locally sourced/produced goods, with Slovenian consumers showing a strong preference for supporting local businesses.

Slovenia is already up to date in terms of shopping habits: businesses entering or already operating in this sector can utilise this to their advantage. We can offer you support and guidance through the regulatory framework for e-commerce and make your endeavours to digitise your business a lot less demanding.

II. Setting-up e-commerce business

1. Is the established local presence of a foreign company required to start selling online?

The established local presence of a foreign company is not required to start selling online as products and services can be sold from abroad. However, foreign companies can establish a subsidiary or branch in Slovenia. Selling from abroad may require tax registration even without an established presence.

If commercial activities are targeted at Slovenian consumers, e.g. if advertising or marketing is directed at consumers in Slovenia or the website is in Slovenian, the activity must comply with Slovenian consumer legislation, even if the business entity does not have an established presence in Slovenia.

2. Are there any licence/permit requirements applicable to e-commerce businesses?

No specific licence or permit requirements apply to e-commerce businesses. However, the sale of some products/services does require the relevant authorisation or licence (e.g. online pharmacy).

3. What e-commerce specific contracts must be concluded before starting an e-business?

Even if a brick-and-mortar business is already established, the e-commerce business requires several additional agreements to be concluded, e.g. agreements for IT-services, services related to the design and maintenance of the website, agreement with payment services provider. As the logistics of online sales differ from the brick-and-mortar business, adequate shipping and logistic agreements should be in place.

4. Are there specific restrictions that impact on the selection of products offered for online purchase?

Product-specific restrictions (national and EU) should be complied with. Some restrictions apply only to the online sale of certain products (e.g. the online sale of tobacco products is prohibited), while the sale of some products, both in brick-and-mortar stores and online, is generally strictly regulated (e.g. medicines and medical devices, alcoholic beverages).

It is important to properly check all the requirements regarding the online sale of the relevant products/services before the online store is launched.

III. Legal design – ABC of the online store website interface

1. Defining the audience: does the business need to decide upfront if the ecommerce website addresses consumers and/or professionals?

Yes, the decision as to whether an e-commerce website addresses consumers (B2C) and/or professionals/legal entities (B2B) should be made upfront.

If the e-commerce website is intended for consumers, consumer protection legislation should be complied with and all consumer rights should be observed. For example, consumers should be provided with all mandatory information at every step of the purchase process and be given a cooling-off period.

If the online store is only intended for legal entities or professionals, access should be restricted to these groups of customers only.

2. What are the mandatory elements of an e-commerce business website?

While the layout of the website may be set out freely, mandatory information should be provided to customers. The scope of mandatory information is narrower if the online store is intended for professionals/legal entities only, as consumer protection legislation does not need to be complied with.

The following information should be available:

- **Information obligation:** Information about the seller and information necessary to decide on the purchase should be provided (required product information, price, information on charges, delivery costs, costs of return, complaint policy, etc.). Usually, general terms and conditions include such mandatory information. Depending on the product category, there may be additional requirements as to what product information must be provided (e.g. food, electronics etc.).
- **Cookies:** If cookies are used on the website, customers should be provided with adequate information on cookies and appropriate consents should be obtained. All the required information on cookies is usually included in a cookie policy and opt-in for non-necessary cookies is usually obtained through cookie banners.
- **Privacy:** The processing of personal data should comply with the GDPR rules and data protection legislation. An easily accessible privacy policy should include all required information regarding the processing of personal data.

3. Is it mandatory that the website information be provided in the local language?

Companies registered in Slovenia should provide website information to consumers and B2B customers in Slovenia in Slovenian language. This is not the case only if they deal exclusively with customers outside Slovenia.

4. What are the legal requirements for publishing customer reviews?

If the company publishes customer reviews, it should provide information on (i) whether it ensures that the published reviews are from consumers who have actually used or purchased the product and (ii) how it ensures this. The company should implement reasonable and proportionate measures to verify that the reviews are indeed from customers who have actually used or purchased the product. Falsifying reviews (e.g. publishing fake customer reviews or commissioning others to do so) or manipulating reviews (e.g. publishing only positive reviews and deleting the negative ones) is prohibited by consumer protection legislation. Personal data protection rules must also be complied with when publishing customer reviews.

5. What elements of the store interface could be considered as dark patterns?

Elements of the store interface that could be considered as dark patterns include, but are not limited to:

- adding additional products to customers' shopping carts without their consent or otherwise automatically opting customers into additional purchases or subscriptions without their explicit consent;
- hidden costs that are only revealed to the customer at the checkout stage (e.g. taxes, delivery charges, additional service fees etc.);
- countdown timers and limited time messages, which indicate to customers that a deal or sale is about to expire;
- low-stock and high-demand messages, which indicate to customers that there are limited quantities of a product available, or that a product is in high demand and likely to sell out soon, creating a misleading sense of urgency;
- informing the customer about the activity on the website (e.g. "this product has been purchased by 10 users in the last hour" or "this product is currently being viewed by 5 users");
- making it easy for a customer to sign up for a service but difficult to unsubscribe or cancel it;
- false customer testimonials and reviews;
- using visuals to attract or dissuade customers from making certain choices (e.g. subscription offer is visually more prominent and emphasised than the non-subscription offer, the option to opt out of marketing communications is greyed out, making it seem as if it is not available, even though it can be clicked);
- using language and emotion to steer users away from making a certain choice, e.g. displaying a message asking for customer's email address in exchange for benefits, where refusal of this offer is portrayed as a shameful act (e.g. "no, I don't want a discount" or "I like full price").

IV. Marketing & promotions

1. What are the key requirements for announcing and running price promotions?

There are no legal minimum requirements for the content of price promotion announcements. Usually, price promotion announcements include information on the type of goods on sale, the percentage of price reduction and the duration of the sale. There are also no restrictions on the timing of the announcement of a promotion – it is up to the individual business decision. In Slovenia, there are no official seasonal sales periods as of 2017.

For running price promotions, there are certain requirements regarding the displayed prices. As a general rule, prices must be visibly indicated in EUR and they must include the value added tax (VAT) if the company is liable for VAT. As the goods are being sold online, it must also be clearly and unambiguously stated whether the price includes the delivery charges.

The goods on sale must be visibly indicated with prior price and reduced price and, if applicable also with prior unit price and reduced unit price. The prior price is the lowest price that the company applied during the 30 days prior to the application of the price reduction. In case of a continuous progressive price reduction the prior price is the lowest price at least 30 days before the first reduced price in the continuous progressive price reduction (and not the current reduced price). In case the percentage of price reduction is indicated in a range, the maximum percentage of reduction must cover at least $\frac{1}{4}$ of the value of all the goods that are on sale.

The company may also indicate other reference prices (other than the prior price) when announcing a price promotion (e.g. if the company reduces the prices more often than once every 30 days), provided that such additional reference prices are clearly explained in a way that neither causes confusion nor diverts the consumer's attention from the indication of the prior price.

There are also specific rules in this regard for new goods that are placed on the market, goods before their expiry date and perishable goods.

2. Is explicit consent required for marketing communications?

Sending marketing communications via electronic (e.g. emails) and telephonic means (e.g. SMS) requires opt-in consent from customers, meaning the company can only send messages if they obtain a prior consent from a recipient for the specific channel of communication.

GDPR standards should be complied with when drafting marketing opt-in (the consent should in a form of freely given, specific, informed and unambiguous statement or a clear affirmative action). A separate consent is required for telemarketing and for marketing content sent by electronic means.

3. What types of promotion activities are under the special scrutiny of local authorities?

In Slovenia, authorities scrutinise promotion activities such as:

- misleading sales practices, where prices are artificially inflated before a sale to make discounts appear more significant and the rules on indicating the prior price and reduced price are not complied with, thus misleading consumers;
- misleading advertising, such as providing false or deceptive information about products and services;
- promotional activities targeting children and minors, especially the sale of tobacco and related products and alcoholic beverages to minors.

V. Other key considerations for running e-commerce

1. Do special rules apply to product returns and defective goods?

Consumers have the right to withdraw from an agreement made online within 14 days of takeover of a product or, in the case of services, of the conclusion of the contract, without giving a reason. If the company does not properly inform the consumer of this right, the consumer may withdraw from the agreement within 12 months of the expiry of the initial 14-day period.

If the consumer decides to withdraw from the agreement, the consumer will bear only the costs of returning the goods, unless those costs are borne by the company or unless the company did not inform the consumer in advance that they would bear those costs. Regarding the mandatory guarantee for technical products and sellers' warranty for defects, the same rules apply to both brick-and-mortar and online sales.

2. What are the main competition risks in online selling?

In general, Slovenian competition law reflects and implements EU legislation. Therefore, the main aspect is to keep the market and access to it as open as possible to promote competition. However, selective distribution represents a valuable mechanism through which manufacturers can arrange the resale of their products to consumers. From an economics standpoint, the application of selective distribution may give rise both to efficiencies and competition risks. The European Commission itself acknowledges that selective distribution may lead to a number of efficiencies, in particular by requiring the same or similar investments and marketing activities from all authorised retailers, and selective distribution agreements, which may help solve free-rider problems and create a brand image for the product in question. Additionally, regardless of the distribution channels, hard-core restrictions, e.g. resale price maintenance, are not permitted.

3. Are there specific legal considerations relevant to the financial services provided to e-store customers (e.g. payment processing services)?

In general, regular e-commerce business does not fall under financial services regulations. However, the processing of customer payments constitutes a regulated activity, and the chosen provider of payment services should have adequate licences to perform the payment services.

VI. Legal enforcement in e-commerce

1. What relevant authorities are responsible for legal enforcement with regard to e-commerce businesses?

As with brick-and-mortar stores, e-commerce businesses in general fall under the authority of the Market Inspectorate. Among others, the Market Inspectorate carries out administrative inspection and minor-offence procedures regarding consumer protection, unfair commercial practices involving consumers and the use of the Slovenian language. The Market inspectorate is also responsible for the general safety of products.

The Information Commissioner is the competent authority in the field of data protection. Depending on the services/products sold, other authorities such as Agency for Medicinal Products and Medical Devices and Health inspectorate may have authority over the products/services in an online store. The Slovenian Competition Protection Agency is the competition authority in Slovenia.

2. What is the landscape for private enforcement of consumer rights in the context of e-commerce?

Consumers in Slovenia can enforce their rights before a civil court, either individually or through a class action. Class actions were introduced in 2018 but have only recently become more popular.

Alternative dispute resolution (ADR) in Slovenia is used to resolve consumer disputes that have not been resolved based on a prior consumer complaint directly to the seller. The participation of the parties in the proceedings is voluntary. Either party may withdraw consent to participate in the proceedings at any time. A link to an online dispute resolution platform should be provided on a website.

Traditionally, the Slovenian Consumers' Association (*Zveza potrošnikov Slovenije*) plays an important role in drafting laws regarding consumer protection issues, promoting the interests of consumers regarding providers of goods and services and, in particular, regarding large systems such as banks, insurance companies, healthcare, utilities, etc.

VII. Upcoming changes in e-commerce

1. Are there legal developments on the horizon of relevance to e-commerce businesses?

Amendments to legislation in Slovenia mostly follow legal developments at the EU level. Some of the EU acts which will be transposed into Slovenian legislation are:

- **Directive on Empowering consumers for the Green Transition (Directive 2024/825)**, which will probably be transposed into Slovenian Consumer Protection Act. The deadline for transposition is 27 March 2026;
- **Right to Repair Directive (Directive 2024/1799)**, which will probably be transposed into Slovenian Consumer Protection Act. The deadline for transposition is 31 July 2026.

No draft bill is yet available.

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Türkiye

I. E-commerce sector: facts and figures

1. Recent growth and trends in e-commerce

E-commerce has continued its rapid expansion in Türkiye in recent years. According to the latest reports published by the Ministry of Trade, Türkiye's e-commerce sector reached a trading volume of TRY 1.85 trillion (approximately USD 77.89 billion) in 2023, reflecting an impressive 115.15% increase compared to the previous year.

The number of transactions also recorded significant growth, rising by 22.25% to a total of 5.87 billion transactions. The share of e-commerce in total retail sales also witnessed substantial growth. In 2023, e-commerce accounted for 20.3% of Türkiye's overall trade, up from 10.1% in 2019. Additionally, the contribution of e-commerce to Türkiye's gross domestic product grew by 33.3% in 2023, reaching 6.8%.

Given the robust performance and steady growth of Türkiye's e-commerce sector, trade volumes and market shares of e-commerce businesses are projected to rise further. The Ministry of Trade forecasts that e-commerce volume will almost double in 2024, with an estimated 6.67 billion transactions, highlighting the sector's potential for continued expansion in the coming years.

II. Setting-up an e-commerce business

1. Is the established local presence of a foreign company required to start selling online?

While Turkish law does not explicitly require foreign e-commerce companies to establish a local subsidiary or branch to operate in Türkiye, certain indirect obligations necessitate a local presence. Law No. 6563 on the Regulation of Electronic Commerce ("Law") has established the Electronic Commerce Information System ("ETBİS"), through which certain entities are required to submit relevant information concerning their e-commerce activities. According to Article 5 of the Communiqué on Electronic Commerce Information System and Notification Obligations, the following entities must register with ETBİS before commencing e-commerce activities in Türkiye:

- Service providers ("SPs") operating through their own e-commerce platforms,
- Intermediary service providers ("ISPs"), and

- SPs that are located in Türkiye but do not engage in e-commerce activities within Türkiye yet enter into contracts or receive orders through an ISP located in a foreign country.

During the registration process, ETBİS requires the Central Registry Number (“MERSİS”) (the system used for commercial registry processes in Türkiye) and a Turkish tax ID number for individual or legal entity merchants. Additionally, the mobile application and domain name used for e-commerce or intermediary activities must also be provided during the ETBİS registration. Obtaining a MERSİS number typically necessitates the establishment of a local presence in Türkiye. Therefore, while a local presence is not directly mandated by law, the requirement to register with ETBİS and other related regulatory obligations, including tax compliance, effectively make it necessary for foreign e-commerce companies to establish a local entity to avoid operational restrictions and potential fines. Failure to comply with these obligations, including registration with ETBİS and the Data Controllers’ Registry (“VERBİS”), may result in significant administrative fines.

2. Are there any licence/permit requirements applicable to e-commerce businesses?

Provisions regarding the e-commerce license are regulated under Additional Article 4 of the Law and Regulation on E-Commerce Intermediary Service Providers and E-Commerce Service Providers. As of January 1, 2025, e-commerce SPs and e-commerce ISPs will be subject to certain licensing requirements based on their scale and transaction volume. The process of obtaining the license must be completed through the ETBİS platform in March of the calendar year following the year in which the specified thresholds are exceeded. The license must be renewed annually as long as these thresholds are met. Until January 1, 2025, there are no specific e-commerce licensing requirements that apply to businesses operating in this sector.

3. What e-commerce specific contracts must be concluded before starting an e-business?

A company may take the following steps to establish an e-commerce business, including but not limited to:

- Domain name registration and trademark registration for the domain name and brand name;
- Entering into contracts with:
 - Suppliers;
 - An accountant;
 - A hosting service provider;
 - An online payment service provider licensed in Türkiye;
 - An IT service provider;
 - Storage and shipping providers;
 - Digital marketing agencies;
 - A legal consultant.

4. What e-commerce specific contracts must be concluded before starting an e-business?

The online sale of certain products in Türkiye is subject to strict regulatory oversight to ensure compliance with consumer protection and safety laws. Products such as pharmaceuticals, medicines, human medicinal products, medical devices, healthcare services, food, supplementary foods, cosmetics, and hygiene products are regulated by specific laws that impose strict requirements. Additionally, the sale of certain products through online platforms is expressly prohibited. These include prescription medicines, medicinal food supplements, herbal products, alcoholic beverages, tobacco, e-cigarettes, firearms, explosive materials, human organs, livestock, counterfeit goods, fortune-telling services, unauthorised copies of copyrighted materials, veterinary medical products, and flammable and explosive substances.

Additionally, products sold by foreign businesses are subject to import regulations, which include specific restrictions on certain items, such as mobile phones, that limit their import for direct consumer use. Depending on the nature of the product, additional obligations under customs legislation may also apply.

III. Legal design – ABC of the online store website interface

1. *Defining the audience: does the business need to decide upfront if the ecommerce website addresses consumers and/or professionals?*

Prior to commencing operations, it is crucial for an e-commerce business to identify its target audience, as this determination directly influences the legal regulations and obligations that the business must comply with. Defining the type of e-commerce the business will engage in is essential not only for legal compliance but also for developing effective marketing strategies. Furthermore, SPs and ISPs registered with ETBIS are required to disclose the type of electronic commerce they engage in. Accordingly, this classification becomes necessary. Pursuant to the Communiqué on the Electronic Commerce Information System and Notification Obligations, the type of e-commerce refers to the classification that indicates the direction of electronic commerce, such as business-to-business (B2B) or business-to-consumer (B2C) transactions, between the parties involved.

2. *What are the mandatory elements of an e-commerce business website?*

An e-commerce website must include the following elements:

1. Before commencing e-commerce activities, the homepage of the website must contain the following information under the “Contact” section:
 - Registered email address for official notifications (“KEP address”), email address, and phone number, as well as the business name or registered trademark name, if any;
 - Details regarding the professional chamber to which the business belongs, and if applicable, sectoral organisations it is a member of, as well as information about the professional conduct rules applicable to the business and how these rules can be accessed online (i.e., providing links);
 - If a merchant, the trade name, MERSIS number, and the head office address must also be provided;
 - If a craftsman, the name and surname, tax identification number, and the head office address must be included.
2. E-commerce SPs who are merchants or craftsmen and sell through an ISP must display the following information on the space allocated to them by the ISP before starting their e-commerce activities:
 - At least one of the following: the trade name, business name, or registered trademark name;
 - KEP address;
 - For craftsmen, the tax identification number, and for merchants, the MERSIS number;
 - Information confirming that the head office address and registered phone number are held by the ISP.
3. E-commerce SPs who are neither merchants nor craftsmen and sell through an ISP must display the following information on the space allocated to them by the ISP:
 - Name and surname;
 - The province of residence;
 - Information confirming that the head office address and registered phone number are held by the ISP.
4. “Transaction Guide” section in the homepage must contain the following information:
 - The technical steps required to form a contract, such as selecting goods and services, entering delivery and payment information, and confirming the order;
 - Information on whether the e-commerce contract will be stored electronically, whether the recipient will be able to access it later on the same electronic platform, and for how long this access will be available;
 - Clear and comprehensible information about the availability of a summary order form and technical tools such as “undo” and “change” to allow the recipient to identify and correct data entry errors before submitting the order;

- Privacy rules related to the processing of personal data collected during e-commerce transactions, in compliance with Law No. 6698 on the Protection of Personal Data ("DPL");
- Information about alternative dispute resolution mechanisms, if available, in the event of a dispute with the buyer.

5. Additionally, the following documents must be provided:

- Data privacy notice (including confidentiality and data protection clauses in compliance with DPL);
- Cookies Notice;
- Ads Privacy Choices;
- Conditions of Use & Sale;
- Preliminary Information Form;
- Distance Sales Agreement;
- User Agreement/Membership agreement;
- Right of Withdrawal;
- Cancellation and Refund Policies;
- Details of the consumer's and SPS' rights.

3. Is it mandatory that the website information be provided in the local language?

Under Turkish law, agreements executed between parties residing in Türkiye, as well as correspondence and transactions conducted between foreign companies or organisations and Turkish companies, organisations, or citizens, must be in Turkish. Beyond this, there are no specific legal requirements mandating the use of Turkish language. However, both e-commerce law and consumer protection law require that information provided to consumers be clear and understandable. Therefore, to ensure full compliance with these regulations and to guarantee that the content is comprehensible to Turkish consumers, website information should be provided in Turkish.

4. What are the legal requirements for publishing customer reviews?

The publication of customer reviews on e-commerce platforms is governed by a strict legal framework aimed at protecting consumers, ensuring transparency and authenticity. The key regulations include Law No. 6502 on Consumer Protection, the Regulation on Commercial Advertising and Unfair Commercial Practices, and DPL. In particular, Article 28/B, titled "Consumer Reviews" of the Regulation on Commercial Advertising and Unfair Commercial Practices, outlines the specific requirements for publishing customer reviews as follows:

- **Eligibility to Submit Reviews:** Only consumers who have purchased the product or service can leave reviews. If a purchase is cancelled or rescinded, the review may reflect the experience up to that point. This ensures that reviews are based on genuine experiences.
- **Disclosure of Review Policies:** Platforms must clearly disclose their review publication policies, which should be easily accessible, either on the review page or via a visible link. The moderation and publication criteria must be transparent.
- **Fair and Objective Review Publication:** Reviews, whether positive or negative, must be published without bias and remain online for at least one year. Reviews should be displayed according to objective criteria like date or rating. Platforms cannot manipulate reviews, and any rejection of a review must be promptly communicated to the consumer.
- **Prohibition of Health-Related Claims:** Reviews containing unverified health claims are prohibited. For instance, claims like "this product cured my asthma" are not allowed, as they may mislead consumers and violate health regulations.
- **Right to Rectify:** If a seller resolves a consumer issue, the resolution must be reflected in the review after proper verification. This update should be published alongside the original review.
- **Prohibition of False or Misleading Reviews:** Creating or promoting false reviews to boost sales is strictly prohibited. Sellers and platforms cannot engage with individuals or entities to post inaccurate reviews or suppress negative ones. Such manipulative practices are punishable under Turkish law.

Provisions in the Guideline on Consumer Reviews by the Advertisement Board:

- Reviews can only be submitted by verified purchasers, ensuring genuine feedback.
- Reviews must remain visible for at least one year and be ranked according to objective criteria like date and rating, without filtering based on positivity or negativity.
- Reviews posted in exchange for rewards, such as likes or endorsements, are prohibited.
- Platforms cannot manipulate the visibility of reviews for any benefit.
- Health Claims: Reviews that contain unverified or misleading health-related claims must not be published.
- Platforms may implement reasonable mechanisms to verify reviews without discouraging consumers from providing feedback.
- Sellers must be allowed to update reviews once a consumer issue is resolved, ensuring that both the problem and its solution are visible.
- Practices such as offering incentives for positive reviews or making the submission of negative reviews more difficult are prohibited.

Furthermore, platforms must ensure that consumer reviews comply with DPL, particularly in terms of protecting the personal data of reviewers. Consumer consent must be obtained if personal information, such as names or contact details, is to be published along with the review. Any reviews that include statements about health benefits must comply with existing health regulations.

5. What elements of the store interface could be considered as dark patterns?

Certain elements of online store interfaces are classified as dark patterns (referred to as “karanlık tasarımlar” by the Advertisement Board) and are considered unfair commercial practices under the Regulation on Commercial Advertising and Unfair Commercial Practices. According to the regulation, a commercial practice is deemed unfair if it fails to meet the requirements of professional diligence and significantly distorts, or has the potential to distort, the economic behaviour of the average consumer or the targeted group. Dark patterns intentionally manipulate or mislead consumers, resulting in decisions they would not normally make under ordinary conditions. These practices violate consumer autonomy, and the Advertisement Board has imposed administrative sanctions on businesses found to be employing such tactics.

The Advertisement Board has identified the following examples of dark patterns in its rulings:

- **Pre-selected Options:** Offering pre-selected choices, such as annual subscriptions, while making shorter-term or less costly alternatives harder to access. The Advertisement Board ruled that displaying an annual subscription as the default option, without clearly offering monthly alternatives, constituted a dark pattern. For instance, directing consumers quickly to the annual subscription page while making it more difficult to find the monthly subscription options was seen as an attempt to push consumers into contracts they would not normally agree to.
- **Misleading Urgency:** Creating a false sense of urgency, such as notifications suggesting that many consumers are purchasing the same product. In one ruling, the Advertisement Board determined that displaying notifications of high demand for tickets during the purchase process unduly influenced consumers’ decision-making and was considered a manipulative practice.
- **Hidden Alternatives:** Making certain options harder to select, such as presenting an upgrade option for a product in a more visually prominent manner while burying the ability to keep the current version. The Advertisement Board ruled that designing the interface in a way that makes the updated version more attention-grabbing, while the option to retain the previous version is barely visible, was an attempt to manipulate consumers into making a choice they would not normally make.
- **Pre-selected Subscription Durations:** Automatically selecting longer subscription periods, such as a six-month or one-year subscription, without giving consumers easy access to shorter alternatives was classified as manipulative. The Advertisement Board found that pre-selecting the longest and most expensive subscription option without adequate disclosure led consumers to commit to longer contracts than they intended.

- **Pre-selected Additional Services:** Automatically adding extra services, such as paid installation or extended warranties, during checkout, which are not easily removable, has also been sanctioned for violating consumer rights. In one case, the Advertisement Board determined that automatically selecting a paid installation service at the checkout stage, without clearly allowing the consumer to opt out, was manipulative and restricted the consumer's ability to make a free choice.

IV. Marketing & promotions

1. What are the key requirements for announcing and running price promotions?

When announcing and running price promotions in Türkiye, businesses must adhere to several key requirements to ensure transparency and protect consumer rights. Pursuant to Law No. 6502 on Consumer Protection and the Regulation on Commercial Advertising and Unfair Commercial Practices, the following conditions must be met:

- **Disclosure of Pre-discount Price and Promotion Period:** Any advertisement that indicates a discount on goods or services must clearly display the price before the discount, along with the start and end dates of the discounted sales. If the quantity of the goods or services being offered at the discounted price is limited, this amount must be explicitly stated in a clear and understandable manner.
- **Accuracy of Discount Information:** Advertisements for discounted sales must not contain language or images that could create confusion about which goods or services are included in the promotion or give the impression that a greater discount is being offered than is actually applied. Misleading or ambiguous promotional claims are strictly prohibited.
- **Determining Pre-discount Price:** The pre-discount price must be based on the lowest price applied within the 30 days preceding the promotion. For perishable goods such as fruits and vegetables, the previous price immediately before the discount will be used to calculate the discount percentage or amount. The burden of proof regarding compliance with these pricing rules lies with the advertiser.

2. Is explicit consent required for marketing communications?

In e-commerce practices and within the framework of DPL, the opt-in method, specifically obtaining prior consent, is mandated before sending commercial messages to recipients. According to Article 6 of the Law, titled "Conditions for Sending Commercial Electronic Messages," commercial electronic messages may only be sent to recipients with their prior consent. This consent may be obtained in writing or through any electronic communication means. Commercial electronic messages may be sent to tradespeople and merchants without obtaining prior consent. Additionally, according to the Regulation on Commercial Communication and Commercial Electronic Messages, it must be registered with the Commercial Electronic Message Management System ("**İYS**") to send commercial electronic messages. Consent may also be obtained through İYS.

Electronic commercial messages may be sent without prior consent in the following cases:

- When the recipient voluntarily provides his/her contact information for the purpose of communication, prior consent is not required for commercial electronic messages related to changes, usage, or maintenance of the goods or services provided.
- No prior consent is required for messages related to an ongoing subscription, membership, or partnership, as well as those containing notifications of debt collection, payment reminders, information updates, purchases, deliveries, or similar actions. However, such messages must not promote or advertise any goods or services.
- Commercial electronic messages sent to the contact addresses of merchants or artisans do not require prior consent. However, if merchants or artisans exercise their right to opt out, commercial electronic messages cannot be sent without their consent.
- No consent is required for commercial electronic messages sent by intermediary firms for informational purposes in accordance with Turkish Capital Market Law.

Recipients must have the right to opt-out anytime without any reason. The commercial electronic messages must stop within three days upon receipt of the opt-out request. SPs and ISPs that violate these provisions will be imposed to administrative fines.

3. *What types of promotion activities are under the special scrutiny of local authorities?*

Promotion activities on e-commerce platforms are subject to rigorous oversight by local authorities, particularly the Advertisement Board. Their primary focus is to ensure that these activities comply with consumer protection regulations and maintain fair competition standards. Promotional activities under scrutiny include, but are not limited to: advertisements for discounted sales, promotions featuring environmental claims, misleading advertisements related to products with geographical indications, food advertisements (including those for dietary supplements and nutritional claims), advertisements that fail to provide accurate information about the product's composition or ingredients, misleading timeshare advertisements, and advertisements that imitate the text, slogans, visual presentation, music, sound effects, or other elements of another advertisement in a way that misleads consumers or causes confusion.

Pursuant to Articles 7 and 8 of the Regulation on Commercial Advertising and Unfair Commercial Practices, the following types of promotional activities are closely scrutinised:

- False or exaggerated claims about product characteristics, services, pricing, or after-sales conditions are prohibited. Authorities aim to prevent consumer deception and manipulation in areas such as total payable price, intellectual property rights, social benefits, medals, awards, diplomas, and similar certifications, as well as payment terms, including instalment or credit sales.
- Promotions must avoid encouraging irresponsible consumer behaviour or fostering unfair competition. Authorities impose sanctions for practices that distort competition or exploit consumer vulnerabilities.
- Misleading claims about product quality, services, business identity, pricing, or warranties are strictly regulated, particularly those that falsely suggest superiority through manipulated data or statistics.
- Authorities monitor promotions to ensure that mandatory licenses or certifications are not misused to deceptively imply a product's superiority.
- Comparative advertising is permitted only under strict conditions—comparisons must be objective, verifiable, and beneficial to consumers, without naming or discrediting competitors.
- Promotions cannot misrepresent legal consumer rights (e.g., return policies or warranties) as special privileges.
- In sectors such as food and dietary supplements, price comparisons and health-related claims are prohibited.

V. Other key considerations for running e-commerce

1. *Do special rules apply to product returns and defective goods?*

Product Returns

Consumers are entitled to a 14-day unconditional right of withdrawal for distance sales contracts, allowing them to withdraw without justification or penalties. This right can be exercised within 14 days of receiving goods or purchasing services. The withdrawal notification must be submitted in writing or through a permanent data storage device. After exercising this right, the consumer must return the goods to the seller within 10 days at the latest, and the seller is obligated to refund the purchase price, along with any delivery costs, within 14 days upon receiving the withdrawal notice.

As of January 1, 2026, the period for returning goods after exercising the right of withdrawal will be extended from 10 to 14 days. Additionally, the cost of return shipping, currently borne by the seller, will be shifted to the consumer under certain conditions. These changes reflect new regulations that will redefine the rights and obligations between sellers and consumers in the return process.

There are several exceptions to the right of withdrawal. Consumers cannot exercise this right in the following contracts:

- Products subject to fluctuations in financial markets that are beyond the seller's control;
- Goods that are customized according to the consumer's personal specifications or needs;
- Perishable goods or goods that may expire in a short time;
- Products that are unsuitable for return due to health and hygiene reasons once unsealed;
- Goods that, after delivery, are inseparably mixed with other items by their nature;
- Unpackaged books, digital content, or computer supplies where the protective packaging (such as seals, tape, or other protective elements) has been unpacked after delivery;

- Contracts for the delivery of periodicals, such as newspapers and magazines, other than those provided under a subscription agreement;
- Contracts for accommodation, transport of goods, car rental, food and beverage supply, or leisure activities, where services are to be provided on a specific date or period;
- Contracts for services that are fully performed or intangible goods delivered instantly through electronic means;
- Contracts for services that begin with the consumer's consent before the right of withdrawal period expires.
- As of January 1, 2026, additional exceptions to the right of withdrawal will apply. Consumers will no longer be able to exercise this right for the following types of contracts:
- Mobile phones, smartwatches, tablets, and computers that have already been delivered to consumers;
- Contracts concluded via live auctions, including online or in-person auctions;
- Registered movables, including those that are subject to mandatory registration under the Turkish Highways Traffic Law (e.g., vehicles), as well as drones that require registration or certification;
- Goods requiring installation or assembly that have been installed or assembled by the seller or an authorised service provider, as stated in the product's user manual.

Defective Goods

A product is considered defective if it does not conform to the contract, is faulty, or cannot be used for its intended purpose. In such cases, consumers may exercise the following remedies:

- **Repair:** The consumer can request that the defective goods be repaired at no cost.
- **Replacement:** The consumer may request a replacement of the defective product with a new, defect-free item of the same or similar quality.
- **Price Discount:** The consumer may request a proportional discount reflecting the defect in the goods.
- **Rescission of the Contract:** By returning the defective product, the consumer may obtain a full refund of the price paid.

The seller must comply with the consumer's choice of remedy and fulfil the request within 30 business days (or 60 business days for real estate) if repair or replacement is selected. Consumers may also claim compensation for any injury or damage caused by defective goods under the Turkish Code of Obligations. Liability for defective goods is subject to a two-year statute of limitations from the delivery date, even if the defect appears later. However, this limitation does not apply in cases of latent defects due to gross negligence or fraud.

4. What are the main competition risks in online selling?

Non-compliance with Law No. 4054 on the Protection of Competition and its secondary legislation may subject e-commerce companies to competition investigations and monetary sanctions. E-commerce businesses must be cautious of agreements, concerted practices, and decisions that restrict competition, as price fixing and resale price maintenance agreements between competitors are expressly prohibited. Companies with a dominant market position must avoid abuse of dominance. The formation of cartels or collusive agreements related to market sharing or price coordination also constitutes a serious breach of competition law. Unfair competition may result from practices such as misleading advertisements or excessively aggressive discount strategies that disrupt market equilibrium. Vertical agreements, especially those involving exclusivity arrangements or supplier-imposed price controls, present substantial competition risks for e-commerce by limiting retailers' ability to compete and potentially fostering monopolistic tendencies in the digital marketplace.

5. Are there specific legal considerations relevant to the financial services provided to e-store customers (e.g. payment processing services)?

The provision of electronic payment services in Türkiye is subject to regulatory authorisation. E-commerce businesses seeking to offer electronic payment services to their customers must either contract with a licensed electronic payment service provider or obtain an authorisation license from the Central Bank of Türkiye. Furthermore, SPs and ISPs registered with ETBIS are required to provide information on the payment methods offered on the e-commerce platform, as well as the services received from payment and electronic money institutions.

The financial services provided to e-store customers are primarily governed by Law No. 6493 on Payment and Securities Settlement Systems, Payment Services, and Electronic Money Institutions, Law No. 5464 on Bank Cards and Credit Cards, the Regulation on Bank Cards and Credit Cards, the Regulation on Banks' Information Systems and Electronic Banking Services, the Regulation on Payment Services and Electronic Money Issuance and Payment Service Providers, Tax Procedure Law No. 213, Law No. 6502 on Consumer Protection, and the Regulation on Consumer Loan Agreements.

- Law No. 6493 on Payment and Securities Settlement Systems, Payment Services, and Electronic Money Institutions regulates the legal framework governing payment systems, payment services, payment institutions, and electronic money institutions, establishing the procedures and principles for their operation
- Law No. 5464 on Bank Cards and Credit Cards and the Regulation on Bank Cards and Credit Cards regulate the issuance and use of bank and credit cards, establish the rights and obligations between cardholders and issuing institutions, and set out the general principles governing the use of these cards in online transactions.
- The Regulation on Banks' Information Systems and Electronic Banking Services ensures payment security by regulating the management of banks' information systems and electronic banking services, crucial for secure e-commerce operations.
- The Regulation on Payment Services and Electronic Money Issuance and Payment Service Providers outlines the authorisation procedures, operational principles, and responsibilities of payment institutions, electronic money institutions, and payment service providers.
- The Tax Procedure Law and its related communiqués mandate the use of e-invoices and e-archive documents in compliance with the standards set by the Revenue Administration, ensuring tax compliance in e-commerce transactions.
- Law No. 6502 on Consumer Protection and the Regulation on Consumer Loan Agreements set forth the principles and procedures for consumer loan agreements, ensuring that consumers' rights are protected in the context of financial services offered by e-commerce businesses.

VI. Legal enforcement in e-commerce

1. What relevant authorities are responsible for legal enforcement with regard to e-commerce businesses?

The Ministry of Trade is the primary authority responsible for e-commerce and consumer protection. However, as e-commerce intersects with various areas of regulation, the following authorities also have roles:

- The Information and Communication Technologies Authority (BTK) is the main body for monitoring the content on the internet.
- The Banking Regulation and Supervision Agency (BDDK) and the Central Bank of Türkiye (TCMB) regulate online payment systems and money flow.
- The Personal Data Protection Authority (KVKK) is the main body for providing personal data protection, monitoring personal data process, concluding the complaints with regard to personal data protection violations and deciding on the imposition of administrative sanctions.
- The Competition Authority carries out inspections in the e-commerce sector and is authorised to implement sanctions within the framework of the Competition Law.
- The Revenue Administration ensures that e-commerce companies comply with tax obligations, including VAT.
- Consumer Arbitration Committees and Courts handle disputes between consumers and e-commerce businesses, ensuring the protection of consumer rights.

2. What is the landscape for private enforcement of consumer rights in the context of e-commerce?

Recipients of unsolicited or non-compliant electronic commercial messages have the right to file a complaint within three months of receiving the message. Complaints can be submitted either online through the Commercial Electronic Message Complaint System available on the Ministry of Trade's website, which is integrated with the e-government platform (e-Devlet), or in writing to the relevant provincial directorate located in the complainant's place of residence.

The enforcement of consumer rights in the context of e-commerce is facilitated primarily through Consumer Arbitration Committees, Consumer Courts, and mandatory mediation. For disputes below a specified monetary threshold, consumers are required to first seek resolution through Consumer Arbitration Committees, which offer a faster and more cost-effective means of dispute resolution. The monetary thresholds for filing claims with these committees and Consumer Courts are reviewed and updated annually by the Ministry of Trade. Decisions issued by Consumer Arbitration Committees are legally binding; however, either party may file an objection within two weeks of notification, at which point the matter may be escalated to a Consumer Court. In cases where the dispute exceeds the monetary threshold, consumers must file their claims directly with Consumer Courts, which have jurisdiction over higher-value e-commerce cases. Additionally, mandatory mediation is required before initiating litigation in Consumer Courts, ensuring that parties make an effort to resolve their disputes amicably before resorting to formal legal proceedings.

VII. Upcoming changes in e-commerce

1. Are there legal developments on the horizon of relevance to e-commerce businesses?

Effective January 1, 2025, e-commerce SPs and ISPs will be subject to specific licensing requirements based on their scale and transaction volume. Furthermore, as of January 1, 2026, under the provisions of the Regulation on Distance Contracts, significant changes will take effect. These primarily include an extension of the return period for consumers, the possibility for return shipping costs to be borne by the consumer under certain conditions, and an expansion of the exceptions to the right of withdrawal.

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Ukraine

I. E-commerce sector – fact and figures

1. Recent growth and trends in e-commerce

The e-commerce sector in Ukraine has experienced return to its pre-martial law growth trajectory. In 2017, the market size was approximately USD 2 billion. By 2020, according to one of the market players, Ukrainians made online purchases totalling nearly USD 4 billion.

However, the development of e-commerce was temporarily halted due to the imposition of martial law. In 2024, the sector is witnessing a resurgence. This year, the Ukrainian e-commerce market boasts 15 leading players with a combined revenue of 97.5 billion UAH (approximately USD 2.3 billion) in the goods segment, 10 top service companies in e-commerce with a combined revenue of 13.745 billion UAH (approximately USD 329.88 million) as well as top five infrastructure companies involving in e-commerce with a combined revenue of 332 million UAH (approximately USD 8 million).

In addition to national marketplaces, online stores, and price aggregators, Ukrainians are increasingly utilizing foreign platforms, primarily from China, the EU, and the US.

II. Setting-up e-commerce business

1. Is the established local presence of a foreign company required to start selling online?

Ukrainian law does not set any express restrictions on the possibility of foreign companies to sell their goods/services online in Ukraine. They can start selling online from abroad without an established presence in Ukraine.

If the commercial activity specifically targets Ukrainian consumers, e.g. the advertising or marketing is directed to consumers in Ukraine, the activity must comply with Ukrainian consumer protection, advertising, language and other regulations, even if the business entity does not have an established presence in Ukraine. In such event, the requirements for a tax presence should be also verified.

2. Are there any licence/permit requirements applicable to e-commerce businesses?

Ukrainian law does not set any additional licensing or permitting requirements for e-commerce compared to the bricks-and-mortar retail. No specific licence or permit is needed to open an online store.

Some licencing/permitting requirements may apply to e-commerce businesses, as to all other retail channels, in cases of selling certain specific types of products, e.g., alcohol.

3. What e-commerce specific contracts must be concluded before starting an e-business?

There are no specific requirements for contracts that must be concluded by e-commerce businesses. In practice, the scope of required contracts depends on the commercial activity in Ukraine. In addition to traditional contracts that are common for any type of retail, e.g., supply and logistic contracts, e-commerce businesses should normally also consider entering into contracts in the following areas:

- **Domain/web hosting services:** If setting up the e-commerce platform with a Ukrainian domain extension (e.g., com.ua), the businesses should arrange for the respective domain registration and secure website hosting.
- **Data hosting services:** The data of the e-commerce platform must be stored somewhere, e.g. in land-based servers or in the cloud.
- **Other IT-related services:** The e-commerce business must ensure an appropriate level of related IT services, like website support, online customers support, other design and technical aspects of various applications and functionalities
- **Payments:** A modern e-commerce platform should allow the customers to use a wide range of online payment options like bank cards, electronic wallets, mobile money, etc..

4. Are there specific restrictions that impact on the selection of products offered for online purchase?

In Ukraine only very limited categories of products are subject to any restrictions of being available for online purchase. For example, medicines are generally available to be sold only in bricks-and-mortar pharmacies.

III. Legal design – ABC of the online store website interface

1. Defining the audience: does the business need to decide upfront if the ecommerce website addresses consumers and/or professionals?

The businesses should decide and verify upfront if the e-commerce website is accessible to professionals only or consumers as well. In B2C relations, where a website is accessible to consumers, all consumer protection rights must be observed (product returns, liability for defective goods, etc.). If a website is dedicated to professionals only, no consumer protection rules apply.

2. What are the mandatory elements of an e-commerce business website?

Ukrainian e-commerce legislation does not impose any express obligations on the elements of an e-commerce website. Such mandatory elements are commonly triggered by the requirements of other relevant law requirements, such as data privacy (website data protection policy and cookies), consumer protection (information about the products), advertising, etc.

3. Is it mandatory that the website information be provided in the local language?

Under the Law of Ukraine “On Ensuring the Functioning of Ukrainian as the National Language”, all companies offering products/services to customers in Ukraine, including via the Internet, must provide information on such products/services in Ukrainian (but this can be duplicated in any other language).

4. What are the legal requirements for publishing customer reviews?

Ukrainian legislation on e-commerce does not directly establish any legal requirements for publishing customer reviews. However, when publishing reviews, businesses must comply with data protection regulations, that includes obtaining consent from individuals before using their personal data, such as names or photos, in reviews.

In practice, top Ukrainian e-commerce companies publish internal policies on customer reviews and comments.

5. *What elements of the store interface could be considered as dark patterns?*

Ukrainian legislation on e-commerce does not regulate 'dark patterns' matters. However, in practice, certain elements of a store interface can be considered dark patterns if they are designed to deceive or manipulate users into making decisions they might not otherwise make, e.g. hidden costs, misdirection, etc.

IV. Marketing & promotions

1. *What are the key requirements for announcing and running price promotions?*

In Ukraine, the use of terms such as "discount" or "reduced price" or any other similar terms, is permitted only under the following conditions:

- The discount or price reduction must apply to products directly sold by a business entity.
- Such discounts or price reductions must be offered for a specified and limited period.
- The price of the product must be lower than its usual price.
- The use of the term "sale" or any other similar terms is permitted only under the following conditions:
 - The sale must involve all products within a specific location or a clearly defined group of products.
 - The duration of the sale must be limited in time.
 - The prices of the products on sale must be lower than their usual prices.

After publicly announcing the start of a sale, discount, or price reduction, consumers must be informed about the price of the product before the sale, discount, or price reduction, as well as the price of the same product after the promotion begins.

2. *Is explicit consent required for marketing communications?*

Explicit consent is not always required. The basic rule of Ukrainian law in this respect is that commercial electronic messages may be sent to a recipient only provided such recipient gave his/her consent to the receipt of such communication. The exemption from this rule states that commercial electronic communications may be sent without the consent of a recipient only if the recipient can unsubscribe from such notifications.

3. *What types of promotion activities are under the special scrutiny of local authorities?*

Local authorities in Ukraine pay particular attention to the advertising of products that subject to specific restrictions, e.g. promotion activities for alcoholic beverages, tobacco products, infant formula and baby food, medicines, medical equipment, etc.

V. Other key considerations for running e-commerce

1. *Do special rules apply to product returns and defective goods?*

As regards returns, consumers are entitled to withdraw from a contract made on-line within 14 days of the date of receiving the purchase confirmatory document (e.g., sales receipt) or receipt of the product. The seller must return the money within 30 days of the withdrawal notice. Any logistics expenses relevant to the return of the product must be covered by the seller.

In terms of defective products, the same rules apply to traditional and online sales.

5. *What are the main competition risks in online selling?*

The key competition risks in online selling are traditionally the same as in other retail channels. They mainly include the vertical aspects of relations between suppliers and distributors (e.g., selective distribution, competitive restrictions, resale pricing control etc), as well as unfair practices by sellers (false advertising or representation of a good or service, tied selling, etc).

Ukrainian competition law and practice currently does not provide any specific rules or guidance to aspects that are specific to online selling, such as automated pricing software, restricting goods from being sold or advertised online, etc.

6. Are there specific legal considerations relevant to the financial services provided to e-store customers (e.g., payment processing services)?

Payments in the e-commerce field may be made using different payment instruments, including electronic money, by transfer of funds or cash payments. All of these payment methods are subject to the general requirements of the legislation on cash and non-cash payments under Ukrainian laws.

The seller, payment system operator or other person who has received payment for goods/services must provide the consumer with an electronic document (sales receipt, ticket, coupon, etc.) confirming the receipt of funds and indicating the date of payment.

VI. Legal enforcement in e-commerce

1. What relevant authorities are responsible for legal enforcement with regard to e-commerce businesses?

In Ukraine no specific authority is responsible for legal enforcement in e-commerce only.

In terms of relations with consumers, the main Ukrainian consumer protection authority is the State Service of Ukraine on Food Safety and Consumer Protection, which is responsible for monitoring and protecting the rights of consumers in all spheres, including online.

Regarding data protection, the regulator in Ukraine is the Ukrainian Parliament Commissioner for Human Rights.

2. What is the landscape for private enforcement of consumer rights in the context of e-commerce?

In Ukraine, consumers can seek to enforce their rights with the regulator, the State Service of Ukraine on Food Safety and Consumer Protection, or the courts. The law does not suggest any specific sites or methods for resolving consumers' disputes in the e-commerce sector.

VII. Upcoming changes in e-commerce

1. Are there legal developments on the horizon of relevance to e-commerce businesses?

The legal relationship between the seller and the buyer is fully regulated by the Law of Ukraine "On Protection of Consumer Rights". The Law of Ukraine "On Electronic Commerce" sets out general rules and specifics of e-commerce in Ukraine.

In 2023, the new Law of Ukraine "On Consumer Rights Protection" was adopted, but it will only come into force after the end of martial law in Ukraine. This Law introduces certain innovations to e-commerce in Ukraine. In particular, the term 'automated system of verified sellers' will be introduced, which provides for the obligation to collect, accumulate and process information about e-commerce entities. A state information system will also be established, which will be part of the unified state web portal 'E-buyer'. The new Law will also increase liability for sellers. The new provisions will detail violations and sanctions for them.

Key contacts:

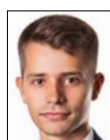


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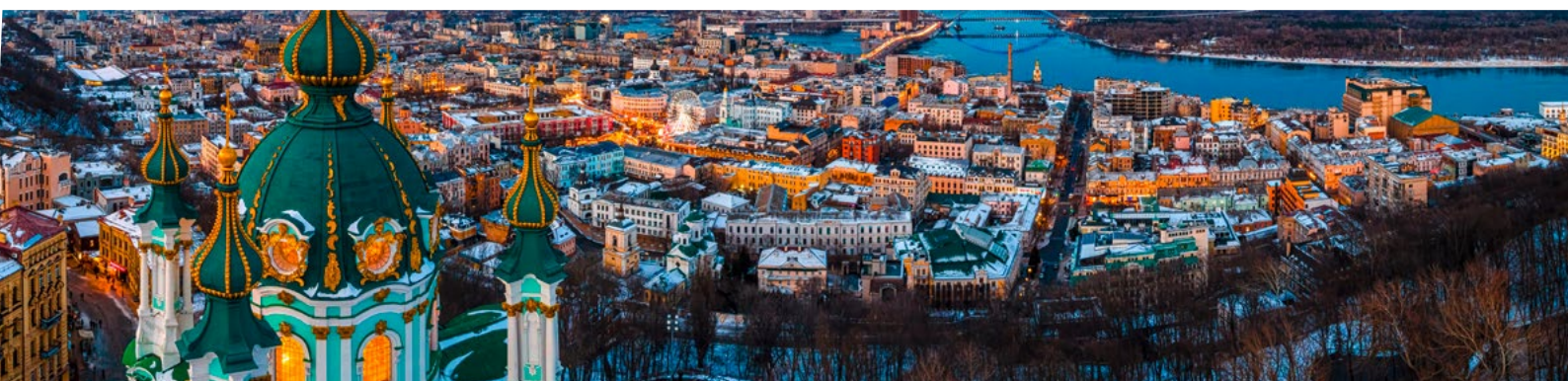


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