



Kazakhstan – May 2023

Common Approaches to Consumer Protection Regulations in the EAEU E-commerce

On May 11, 2023 the Board of the Eurasian Economic Commission approved the Recommendations on General Approaches to Consumer Protection in Electronic Commerce (hereinafter referred to as the "**Recommendations**").

The Recommendations were developed in order to unify the legislation of member states of the Eurasian Economic Union (hereinafter referred to as the "**EAEU**") in terms of protecting consumer rights in the sale of goods (services) intended for personal needs that are not related to entrepreneurial activities through electronic commerce (hereinafter referred to as the "**E-commerce**").

E-commerce is the sale of goods (services) under a sale and purchase agreement (agreement on provision of services), concluded on the basis of the consumer's acquaintance with the description offered by the vendor (contractor, manufacturer), including the image of the goods (services), via Internet through online stores, other Internet sites adapted for the sale of goods (services) remotely (E-commerce platforms, social Internet networks).

The E-commerce platform ensures interaction of vendors and consumers and allows to conclude an agreement between a consumer and a vendor for the sale and purchase of goods (agreement on provision of services) on the basis of familiarization of the consumer on such platform with the description of the goods (services), their cost, methods and conditions for fulfilling the agreement, payment and delivery conditions offered by the vendor (contractor, manufacturer).

The operator of the E-commerce platform may provide to consumers services for payments for the goods, their storage and delivery, advertising and other services, as well as act as a vendor of the goods.

General Provisions

Guarantees and protection of consumer rights in the sale of the goods (services) through E-commerce are ensured at a level not lower than for other forms of trade stipulated by the legislation of the member states and the EAEU Treaty dated May 29, 2014.

Compliance with consumer rights established by the legislation of the EAEU member state is the responsibility of the operator of the E-commerce platform, as well as the vendor's offering the goods (services) via the Internet.



The list of information provided to the consumer when selling the goods (services) through E-commerce is formed considering the recommendations of the Board of the Eurasian Economic Commission No. 27 dated November 21, 2017 "On General Approaches to the Implementation by the EAEU Member States of an Agreed Policy in the Field of Consumer Rights Protection when Selling Goods (Services) Remotely".

Information provided to the consumer about the price and terms of purchase of the goods (services), according to the Recommendations, should include the following information:

- Full amount to be paid by the consumer – when paying for the goods (services) within a certain time after its transfer (performance) to the consumer;
- Method of determining the price and the repayment schedule of the corresponding amount – if, due to the nature of the goods (service), the price may not be determined in advance;
- Delivery methods and timeline, delivery costs and terms;
- Necessity to pay or the possibility of non-payment of transportation, delivery, postal and other expenses;
- Total cost, including total expenses for the payment period – when concluding an agreement with the consumer for an indefinite period or an agreement with the consumer based on a subscription fee. If a fixed price is set in the agreement with the consumer, the total value is the total cost for the month (if the total cost may not be determined in advance, a method of determining the price should be indicated);
- Information on forms and methods of payment for goods (services). At the same time, the consumer is provided with an option to choose the method of payment for goods (services) from those offered by the operator of the E-commerce platform, online store, vendor.

Moreover, current legislation of the Republic of Kazakhstan in the field of domestic trade provides similar requirements, but only the general terms, namely: "the vendor (including an online store), before concluding a sale and purchase agreement, provides the consumer with information about the goods (services), their cost, payment procedure, terms and cost of delivery, warranty period (if any).

According to the Recommendations of the EAEU, the consumer should be provided with an option to reject the goods (results of performance of services) purchased through the E-commerce at any time before its transfer, and after the transfer of goods (services) within at least 14 (fourteen) calendar days, and the terms for the return of the amount paid by the consumer under the agreement should not exceed 7 (seven) calendar days from the date of the submission by the consumer of the corresponding claim.

The provisions of the Law of the Republic of Kazakhstan No. 274-IV dated May 4, 2010 "On Protection of Consumer Rights" are similar to the Recommendations of the EAEU, where the buyer



has the right to return non-food goods within 14 (fourteen) calendar days from the date of the purchase if a longer period is not provided by the vendor (manufacturer).

Fraud in E-commerce

A list of fraudulent actions against consumers in E-commerce is formed:

- Taking into account the principles and criteria of fair-trade practice specified in the recommendation of the Board of the Eurasian Economic Commission No. 1 dated January 12, 2021 "On the Principles and Criteria of the Fair-Trade Practice in Relation to Consumers in the Field of Retail Trade of the Goods";
- In order to prevent the practice of influencing the behaviour of consumers (including through announcements of price reductions that do not correspond with reality, the use of a user interface or other digital solutions specially created to mislead or force consumers to purchase the goods (services), etc.).

As for the legislation of the Republic of Kazakhstan, there is such a list yet.

Liability in E-commerce

A vendor offering the goods (services) through E-commerce in the EAEU member state that is the place of residence of a consumer or directing (focusing) his activities related to E-commerce to the territory of the EAEU member state that is the place of residence of a consumer shall be liable for violation of consumer rights provided for by the legislation of that a member state, i.e. in which the consumer or potential consumer is located.

According to the Recommendations, the vendor offering the goods (services) through E-commerce, who provided the consumer with inaccurate or incomplete information about the goods (services), on the basis of which the consumer concluded a sale and purchase agreement (agreement on provision of services), bears responsibility:

- In case of violation of consumer rights as a result of the transfer to the consumer of the goods (result of service provision) of improper quality;
- For damages caused to the consumer due to the provision of such information to the consumer.

At the same time, this issue is not directly regulated yet by the legislation of the Republic of Kazakhstan.

Dispute Resolution in E-commerce

According to the Recommendations, E-commerce related dispute resolution:

- May be carried out through government information resources, if available, as well as information resources created by vendors for online dispute resolution;



In the Republic of Kazakhstan there is no generally established procedure for dispute resolution in E-commerce.

the disputes in E-commerce may be settled through applying to the Unified Consumer Protection Information System. This resource is the information system designed to automate the process of receipt and examination of consumer requests, their systematization and accounting at all levels of the consumer protection system.

In addition, these disputes may be settled through applying to the competent authority on protection of consumers' rights (the Committee for the Protection of Consumers' Rights of the Ministry of Trade and Integration of the Republic of Kazakhstan) or to the court.

- Is based on the option of the consumer to independently choose the organization responsible for resolving the disputes and whose decisions are subject to execution in accordance with the applicable legislation in the territory of the EAEU member state that is the place of residence of the consumer, or at the discretion of the consumer pursuant to the international laws.

Terms of examination of the consumer's claim by the operator of the E-commerce platform, online store, vendor should not exceed 10 (ten) calendar days from the date of its submission.

The operator of the E-commerce platform assists vendors and consumers in communication and dispute resolution between them, as well as takes measures to ensure vendors to comply with the requirements of the consumer protection legislation.

The Board of the Eurasian Economic Commission recommends the EAEU member states to consider the Common Approaches to Consumer Protection in E-commerce when developing legal acts regulating protection of consumers' rights.

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