

Brussels, 2 November 1999

**UNICE WARNS COMMISSION AND MEMBER STATES:
E-COMMERCE APPROACH IS COUNTER-PRODUCTIVE**

At the eve of the hearing on the Brussels and Rome Conventions organised by the European Commission on 4 and 5 November, UNICE warns for the counter-productive approach of the Commission and some Member States to e-commerce jurisdiction and applicable law.

By a very large majority European business is extremely concerned about endeavours being undertaken by the Commission and several EU Members States in the field of consumer contracts aimed at bringing about a substantial extension of the court jurisdiction at the place of the consumer's domicile. In particular with effect on e-commerce business, consumer choice and employment.

In reaction to the Commission's amendments to the Brussels Convention, UNICE feels that these are counter-productive. "The proposals of the Commission will have negative consequences for the development of electronic commerce in Europe and damaging effects on economic growth and employment", UNICE Secretary General Dirk Hudig states.

UNICE urges the Commission to take the interests of consumers into full account. "Consumers need effective and low-cost regulations. The approach of the Commission - based on the country-of-destination principle - leads to the contrary. It does not offer consumers what it promises. This is purely window-dressing", Dirk Hudig says.

The draft regulation widens excessively the scope of jurisdiction. Therefore, the original wording of the Brussels Regulation should be reinstated, since it only applies to web-operators who actively solicit a sale. It is not clear if a commercial offer on a website is to be classified as actively soliciting a sale. "Because the Internet is new, this important distinction has not yet been made. Until this is decided - after consultation with all the interested parties - any decision on the regulation which will decide the legal rules for selling on the web should be postponed", the Secretary General calls on the Commission and EU Member States.