

Code of Conduct on Electronic Commerce for Consumer Co-operatives

Not covering foodstuffs, beverages or other goods intended
for everyday consumption¹

Introduction

The global number of households connected to the Internet is increasing rapidly. Electronic business to consumer is also growing fast, as a result of increased access to the Internet and the expanding number of offers on the net. Electronic commerce in the virtual marketplace is different from business in the real marketplace because it is global and knows no barriers.

Consumers will only accept electronic commerce when they feel confident about it. This is also why it is so important for consumer co-operatives all over the world to fill the gap between present local or national legislation on electronic commerce and the values and practices developed by consumer co-operatives over the years in the real marketplace.

We believe that it is important to stress our Co-operative Values and Principles also in electronic commerce.

We therefore adhere to the EU Directives listed below, irrespective of from which country the transaction is being made. This will ensure a high level of protection to the consumer.

Another problem to the consumer is that of disputes. We are aware of this problem and are endeavouring to find an on-line dispute resolution method (ODR) which is satisfactory and not costly to the consumer.

As a further step to give the consumer security and confidence when buying from a consumer co-operative web-site we are also looking at the possibility of including a common consumer co-operative trustmark (seal) to clearly indicate the origin.

We recommend societies and organisations to use the dot.coop top level domain, especially if a co-operative trustmark is not used.

We emphasise that national and international legislation, international guidelines and agreements are the basis and the starting point in protecting consumers when dealing with electronic commerce. We believe that national and international authorities, businesses and consumer representatives must take initiatives. We also believe that self-regulatory initiatives are necessary. Electronic commerce carried through by consumer co-operatives should be based on existing and well-known consumer co-operative principles and practices.

¹ Due to the special character of foodstuffs, beverages and other products for everyday consumption, which usually have a limited shelf life this Code does not cover such products. This is also in line with the EU Directive 97/7/EC, embraced by this Code, which in Article 3 provides that the rules do not apply "to contracts for the supply of foodstuffs, beverages or other goods intended for everyday consumption supplied to the home of the consumer, to his residence or to his workplace by regular roundsmen".

We commit ourselves to observing this Code of Conduct for all electronic commerce by consumer co-operatives world-wide directed at members and/or other consumers. We see it as an expression of the consumer co-operative distinctive character, which differs us from other actors in the marketplace.

The Code shall always be easy accessible on our web sites and also be referred to in advertisements or other marketing activities related to our electronic commerce.

We embrace the following documents, which are the basis for this Code of Conduct:

- The OECD Guidelines on consumer protection in the context of electronic commerce (December 1999)
- The ICC Guidelines on Advertising and Marketing on the Internet
- The EU Council Directive on a common framework for electronic signatures, Directive 99/93/EC
- The EU Commission Council Directive on certain legal aspects of electronic commerce in the internal market, 2000/31/EG (June 2000)
- The European Parliament and EU Council Directive on the protection of consumers in respect of distance contracts, 97/7/EC

1 Seller's undertakings

- 1:1 We will follow the EU Directives and the OECD and ICC Guidelines listed above in all markets, also outside the European Union.
- 1:2 We will provide the consumer with clear, honest, easily accessible product information and usage instruction in connection to any purchase.
- 1:3 We will pay all the costs of returning a defective product when the buyer has not caused the fault and the complaint is made timely.
- 1:4 We will provide buyer with information on how, when and from where any delivery is taking place.
- 1:5 We will provide a written order confirmation accessible to the buyer as soon as possible and at the latest at time of delivery of the goods.
- 1:6 We will offer fair credit or rental conditions.
- 1:7 We will provide open, clear and proper information on prices, delivery costs, insurance costs and any additional costs.
- 1:8 We will clearly state the existence of a right of withdrawal.
- 1:9 We will clearly state any guarantees accompanying the product.
- 1:10 We will acknowledge claims and complaints within five working days on receipt.

1:11 We will handle claims and complaints rapidly and fairly. Depending of the nature of the product and the complaint we will in most cases endeavour to finalise the matter within two weeks on receipt.

1:12 We think that the payment method must be reliable and perceived to be safe by the buyer. We will clearly state the payment method in each case.

2 Buyer's rights and undertakings

2:1 Buyer has the right to a cooling-off period of two weeks in which he can withdraw from the contract without penalty and without giving any reason. The cooling-off period begins to run from seller's fulfilment of his obligations.

No charge of any kind will be made to the buyer except for direct costs for the return of the delivery. Upon return seller will reimburse buyer. Such reimbursement will be carried out within 30 days on receipt.

2:2 Buyer must make claims and complaints within

(Each individual organisation has to fill in period of time according to local legislation and/or own obligation).

2:3 Buyer's integrity will be protected, and no misuse or sale of information on individual buyers or their habits will be made.

2:4 Buyer is entitled to prohibit us from sending him direct advertising. If and when using direct marketing, we will regularly update the marketing refusals in our marketing registry.

3 Jurisdiction and governing law

Where a co-operative society or organisation has directed its activities at another country, disputes on products, delivery or payment will be settled by the competent tribunals/courts in buyer's country and under the laws of buyer's country.

4 Information and marketing

4:1 Marketing is undertaken in accordance with the International Chamber of Commerce (ICC) Guidelines on Advertising and Marketing on the Internet.

4:2 Marketing must be socially responsible and respect human values.

4:3 Marketing will not be targeting children directly.

4:4 An advertisement must be identifiable as an advertisement at all times.

4:5 It should be clearly indicated at which area, geographical and/or economic, this Code is directed in each case. See also paragraph 3.

5 General

The existence of this Code of Conduct shall be clearly indicated on all web sites where offers are made and should also be promoted through other channels. The full Code of Conduct must be easily accessible from the web site, also in written form.