EUROPEAN ECONOMIC AREA

STANDING COMMITTEE OF THE EFTA STATES

5/00/W/021 16 May 2003 Brussels

EEA EFTA COMMENTS

on the Communication from the Commission to the European Parliament and the Council – A More Coherent European Contract Law – An Action Plan – COM(2003) 68 final

16 May 2003

EXECUTIVE SUMMARY

The EFTA States welcome the proposed mix of non-regulatory and regulatory measures and underline the necessity to carry out the debate on European contract law issues in an open, wide-ranging and detailed manner with all the stakeholders involved.

I. INTRODUCTION

1. These EEA EFTA Comments are based on input from the public administrations in the EEA EFTA States. Due to time restraints, it has not been possible to launch a broad public inquiry extending to private parties and representative organisations. In the light of the aforesaid, the present comments will be limited to the three actions forming the core of the Action Plan.

II. IMPROVEMENT OF THE QUALITY OF THE EC ACQUIS

- 2. The EEA EFTA States welcome measures aimed at increasing the coherence of and improving EC acquis in the area of contract law. These measures will facilitate the implementation of EC acquis, strengthen the Internal Market and enhance legal certainty to the benefit of the citizens.
- 3. However, the EEA EFTA States would like to emphasise the need for a thorough and transparent process regarding the development of a common frame of reference. Transparency of the process is of particular importance in the light of the possible use of the common frame of reference in the development of common non-sector-specific principles.

III. PROMOTION OF THE ELABORATION OF EU-WIDE STANDARD CONTRACT TERMS

4. An EC initiative in this area is most welcome. It will hopefully serve as a valuable information pool both for private parties seeking cross-border contractual solutions as well as for the Commission and others, who are engaged in the process of

designing non-binding guidelines and an optional instrument containing general principles of contract law.

IV. FURTHER REFLECTION ON THE OPPORTUNENESS OF NON-SECTOR-SPECIFIC MEASURES SUCH AS AN OPTIONAL INSTRUMENT IN THE AREA OF EUROPEAN CONTRACT LAW

- 5. The EEA EFTA States appreciate that the Commission will continue to reflect on the opportuneness of non-sector-specific measures such as an optional instrument in the area of European contract law. They are pleased to note that the Commission will make the principle of contractual freedom the basis of such an initiative, and thereby pave the way for a wide use of private autonomy.
- 6. From an EEA EFTA States' point of view, the best way to pay due attention to the nature of contractual relations is to make a potential future instrument subject to the discretion of the parties, both through a choice of law clause and the possibility to adapt the instrument to the specific needs of the parties. The EEA EFTA States do, however, underline that possible consumer protection rules should be of a mandatory nature.
- 7. Furthermore, the EEA EFTA States are of the opinion that the relationship between the Convention on Contracts for the International Sale of Goods (CISG) and a possible EU instrument should be examined thoroughly. In the light of the key importance of the area covered by the Convention, this area should not be totally excluded from the preliminary considerations concerning the scope of a possible EU instrument.

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