

DRAFT VERSION OF THE CONSUMER PROTECTION LAW

Part one GENERAL PROVISIONS

Article 1

This Law stipulates the conditions and ways of consumers' protection, the rights and commitments of the consumer protection organizations, as well as public administration's tasks in the area of consumer protection.

Article 2

(1) The terms used in this law, if by separate provisions of the law not defined otherwise, have the following meaning:

- **Consumer:** means a natural person buying products or using services for direct personal consumption or for the members of one's household.
- **Seller:** means a natural or legal entity selling products to the Consumer or rendering services during the performing of its own activity or profession, in accordance with the Law;
- **Product:** means any object, without taking into consideration its processing level, aimed for consumer supply;
- **Dangerous Product:** means a product that due to any failure, or incorrect and incomplete information, individually or during its usual way of utilization, assembly or preservation presents unpredictable or increased danger for jeopardizing human life and health and property.
- **Service:** means any activity aimed for consumer supply;
- **Marking - Labeling:** notes, indications, instructions, tutorials, marks, labels, pictures or symbols that point out the product or a service, impressed or in

other ways attached to the product, its packaging, some document, label or anything that in some other way is connected to the product or the service;

- **Producer:** means a person manufacturing final products or component parts for the products or any other person presenting himself as manufacturer by affixing to the product his name and trade mark. The importer of the product is also considered as a producer.
- **Distributor:** a physical or legal entity in the product supply chain, whose activities do not affect the safety properties of a product.

Part Two

INFORMATION AND ANNOUNCEMENTS FOR THE CONSUMER

Chapter One

STATING THE PRICE

Article 3

(1) Except in the case of a public sale (auction), every salesman selling products to consumers has to state the price of the product clearly and unambiguously on the product itself. If the products are displayed on sale, the price has to be visible and readable and there has to be a clear tie between the price and the product. The price must be stated in denars.

(2) Every salesman offering services to the consumer has to display a written tariff- or price-list in a visible, readable, entirely unambiguous manner.

Article 4

The displayed prices, tariff- and price-lists must represent the full price that is to be paid by the customer for the product or the service, including all other taxes determined by law, as well as the costs of every other service that the consumer will have to pay in addition.

Article 5

All marks that suggest discount of prices or tariffs, regardless whether the discount is stated in amounts or percentage, must be real and displayed in a following way:

- stating the new price beside the visibly crossed out previous price, or
- stating "new price" and the "old price" beside the respective prices, or
- stating the percentage of the discount of the price and stating the new price beside the visibly crossed out previous price, or
- stating a uniform percentage of the allowed discount for every single product or service or for every quoted product or service category.

Chapter Two

LABELING OF QUANTITIES

Article 6

The term used in this chapter will have the following meaning:

- **"products sold in bulk or unpackaged products"**: unpacked products that are measured, weighed, and packaged only in the presence of the consumer;
- **"conditioned products"**: products that have passed through a procedure of separation, cutting, weighing, measuring, calculating or numbering.
- **"packaged products"**: products packaged before being placed on the market or before their display for sale in some sort of packaging that covers them entirely or partly, but in a way that renders the change of contents impossible without opening it or change of package;
- **"measuring units"**: measuring units determined by law, used on the territory of the Republic of Macedonia;
- **"nominal quantity"**: net quantity of the product visibly contained in the packaging.

Article 7

(1) All conditioned products intended for sale have to be packaged or if not packaged there has to be a visible, readable and unambiguous mark of the nominal quantity, expressed in a measuring unit, on the product itself.

(2) The products in quantities over 10 kg. or 10 l must have nominal quantity, expressed in a measuring unit, on the package.

(3) When the nominal quantity of the product was not marked according to the provisions of paragraph 1 of this article, the salesman can offer that product to the consumer only if he himself has previously put a visible, readable and unambiguous mark of the quantity, expressed in a measuring unit, on the package or on the product itself, if the product is not packaged.

(4) The products that are sold in bulk or the previously unpackaged products, and are weighed and measured in the presence of the consumer himself, do not need a mark of the quantity of the product.

Article 8

The indications on the measuring instruments used for determining of the quantity of the products sold in bulk or the previously unpackaged products must be visible and readable for the consumer.

Chapter three

NAMING, CONTENTS AND MARKING (LABELING) OF PRODUCTS

Article 9

(1) Marking-labeling of products is obligatory and has to be visible and legible, as required by regulations.

(2) The marking of certain products or categories of products, which are more safe for the environment and nature compare to other such products, must be done with putting a label "eco-product" issued by the competent administrative body in charge of environment and urban planning.

Part three

NOTE OF ORIGIN

Article 10

Note of origin, for the purposes of this law, can be interpreted as a note of the geographical name of the land, the area or the place used to mark the product that originates from there and whose quality and characteristics are owed exclusively or primarily to the geographic surrounding, which as a notion captures and means the natural factors, traditional methods and ways of production.

Article 11

(1) Unless otherwise determined by law, the Government of Republic of Macedonia can:

- determine names that are to be treated as notes of the origin, and can be applied to Macedonian products, and are different from the names that have regional or local meaning;
- determine conditions that certain products must fulfill to be produced in the first place, to be offered on sale and sold under the given note of origin.

(2) The geographical name generally used to mark the sort, the harvest or the presentation of the product by it is not a note of origin.

Article 12

In case of abuse of the product's note of origin, the competent inspectional body may undertake measures according to the law.

Part four
ADVERTISING

Article 13

(1) Advertising under this Law means any announcement or message that is explicitly or implicitly directed towards promoting the sales of products or services, as well as advertising through electronic mail, regardless of place or medium of announcement.

(2) Comparative advertising under this Law means any announcement, which explicitly or by implication identifies a competitor or products and services offered by the competitor.

(3) Fraudulent advertising under this Law means any announcing that in some way, including its presentation, has deceived or probably can deceive the persons it is directed to or can reach, and because of its fraudulent character probably can influence their economic behavior or can harm the competitors.

Article 14

If not otherwise determined by law, any of these following announcements is forbidden:

- One that contains declarations, indications or phrase that can lead to the wrong conclusion regarding the identity, nature, contents, origin, quantity, accessibility of stock, the way and the date of manufacture, the characteristics or the attributes of the product and its effects on the environment, health of the people and nature. Characteristics or attributes mean the advantages or the positive sides of the product, the possible ways if usage, the results that can be obtained or expected of the usage or application, the conditions under which it can be obtained, and especially the price or the way of working, the basic characteristics affirmed by testing or control of the product and the additional services;
- One that contains declarations, indications or phrases that can lead to a wrong conclusion regarding the identity, nature, contents, longevity, availability, the day of

rendering the service or its characteristics and attributes. Characteristics or attributes mean the advantages or the positive sides of the service, the results that can be obtained or expected of the service, the conditions under which it can be obtained, especially the price, the basic characteristics affirmed by testing or control and the additional services;

- One that contains declarations, indications or phrases that can lead to a wrong conclusion regarding the identity of the salesman of the product or service;
 - One creating confusion, due to leaving out or covering up basic information by the salesman, regarding the stated in sections 1, 2 and 3 of this Article;
 - One that applies to an offer of products and services, when the salesman does not have enough stock in storage or is unable to perform the service that can normally be expected, having in mind the scale of the advertising;
 - One that referring to some comparative testing made on behalf of consumer organizations;
 - One that, except in a case of approved common offers, refers to a free offering of products, services or various other gains, even though the demand itself of the acquiring of the product, service or gain does not differ at all from the purchasing demand for the relevant product or service;
 - One that is conducted through electronic mail in an unclear and ambiguous way, and consequently its receiving can not be identified by the receiver of the E-mail.
- On artificial milk and other food for infants up to six months age, bottles and nipples and dummies, as well as other products that have a negative impact to breastfeeding.

Article 15

(1) The comparative advertising is allowed if the advertisement, with regard to the comparison, fulfils the following conditions:

- There is not confusion about the provisions of article 23 sections 1 to 5 of this law;

- The comparison is between products or services that satisfy the same needs or are directed towards the same goal;
- There is an objective comparison of one or more essential characteristics that are relevant, can be verified, can be proven and are representative of the products and the services that are compared;
- It does not contain elements of slight or backbiting of trademarks, the firm, other characteristic trades, products, services, business enterprise, activities or the state of the competitor;

(2) In every comparison that introduces a particular or special offer must very clearly and unambiguously state the date until it is valid and when it is necessary, the fact that the special offer lasts until the present storage of the product or service is depleted, and if the special offer has not started yet, the date when the period of special prices and other special conditions begins.

(3) Every comparative advertising that does not comply with the conditions stated in sections 1 and 2 of this article is forbidden.

Article 16

- (1) The advertising must not lead to confusion or puzzle the consumers regarding the one or more measurable and provable facts as: identity; quantity; content; price; origin; date of manufacture and "best before" date; conditions of selling, location, way of delivery or guarantee conditions of the sale of the products or services to which the announcement is pertinent; the possible ways of use of existing storage, availability and existence of presented products or services.
- (2) The competent inspectional body in compliance with the law shall forbid the advertising of activities mentioned in paragraph 1 of this article.
- (3) For the data stated in paragraph 2 of this article, the inspectional body is obliged to inform the consumers organization for the area where the service is performed.

Article 17

In announcement of products packaged in some predetermined quantities, the nominal quantities of the contents of the package must be stated.

Article 18

Every announcement, which states the price or a discount of the price, must be composed in compliance with articles 3 and 4 of this law.

Article 19

(1) The demand for starting an infringement procedure due to disrespect of the provisions of article 14 and 15 is filed against the announcer.

(2) When the announcer is not a head office or a permanent residence on the territory of the Republic of Macedonia and has not appointed a representative, the demand can be filed against:

- The editor of the printing publication or the producer of the audio-visual announcement;
- The printing-office, the publisher, or the performer, if the editor or the producer are not seated or resident on the territory of the Republic of Macedonia and do not have an appointed representative with such a head office or residence;
- The distributor and every other person that knew the announcement will cause such an effect, if the printer or performer is not seated or resident on the territory of the Republic of Macedonia and do not have an appointed representative with such a head office or residence.

Article 20

(1) The Government of the Republic of Macedonia can do the following for certain products or services and for certain categories of products or services it designates:

- Forbid or limit the announcement to secure the protection of the safety of the consumers and the environment;
- Dictate the minimal contents of the announcement in order to better inform the consumers.
- Determine special conditions of announcement of certain products or certain category of products, which are safer for the environment or people's health.

Part five

GENERAL PROVISIONS ON SALE OF PRODUCTS AND SERVICES TO THE CUSTOMERS

Chapter One

OBLIGATION OF INFORMING THE CUSTOMERS

Article 21

- (1) Latest at the time of closing the deal, the salesman must give the consumer, conscientiously and honestly, exact and useful information regarding the characteristics of the product or the service and regarding the conditions of the sale, having in mind the customer's need for information and the way the consumer wants to use the product or the service or a conjecture of the reasonable way they are going to be used.
- (2) The consumer must be informed for the influence of certain products over the environment and the nature and people's health, as well as the measures of protection, through a manual given with the product, and expressed on the package of the product or in some other way.

Chapter Two

UNJUST CLAUSES

Article 22

(1) Unjust clauses in this law means all contract provisions or conditions that by themselves or in combination with one or more other provisions and conditions create an obvious unbalance between the rights and the responsibilities of the contractual parties.

(2) The unequitability of the contract provisions will be evaluated having in mind the nature of the product or the service which are the object of the contract or which are referred by it, the time when the contract is made, all circumstances linked with the making of the contract, together with all the contract provisions or together with all other contracts linked to that contract or together with all other contracts on which that contract depends. The evaluation of the unjust character of the provision will not pertain to the definition of the basic subject of the contract, nor will it be adequate between the price, compensation or the reward on one side and the requested products or services on the other, to the measure to which these provisions are composed in a clear and non-ambiguous manner.

(3) When all or particular contract provisions are put together in writing, these provisions must be composed in a clear and unambiguous manner. In case of a query regarding the sense of the provision, it will be interpreted in favor of the consumer.

Article 23

In the contracts made between a salesman and a consumer, unjust clauses will be the provisions and the conditions or the combinations of provisions and conditions whose goal is:

1) To secure an explicit and definite obligation for the consumer while making the contract, while the realization of the conditions of the salesman is left entirely to his own will;

2) To change the price depending on the elements that depends exclusively on the will of the salesman. The provision of this section is not a obstacle for:

- a) escalatory clauses for the price, to the measure that those provisions are not illegal, and the manner of the adjutancy of the price is explicitly stated in the contract itself;
 - b) the provisions according to which the salesman of financial services reserves the right to change the rate for those services, under the condition that there is an obligation for the salesman to inform the consumer in a reasonable term, and the consumer will have the right to break the contract at once;
 - c) the provisions that enable the salesman of financial services to reserve the right to change the interest rate without informing the consumer if there is reasonable justification for that, with the obligation that the salesman informs the consumer as soon as possible and with the right of the consumer to break the contract at once;
- 3) That the salesman reserves for himself the right to single-handedly change the characteristics of the product that is to be delivered or to the service that is to be rendered, if such characteristics are of essential for the customer or for the intention the customer had in mind for the product or the service, to the point where the consumer informed the salesman of that intention and the salesman agreed or when there was no such specification, it could have been reasonably predicted;
- 4) That the salesman reserves the right to single-handedly affirm or change the date of delivery the product or performing the service;
- 5) That the salesman reserves the right to single-handedly affirm weather the delivered product or the made service are in compliance with the contract or that the salesman own exclusive right to interpret the unspecified provisions of the contract;
- 6) To forbid the consumer to break the contract if the salesman did not fulfill his obligations;
- 7) To restrict the right of the consumer to break the contract when according to his obligation for guarantee, the salesman does not respect his obligation for removal of flaws or does not remove the flaws in reasonable time;

- 8) To bind the consumer to fulfill his duties despite the fact that the salesman has failed to fulfill his duties or is in default;
- 9) To authorize the salesman to single-handedly break or change the contract, without compensation to the consumer, except in the case of absolute necessity;
- 10) To authorize the consumer, in case of a vis major, to break the contract only with previous payment of the damage;
- 11) To free the salesman or his agents or employees from the responsibility in case of guilt or from responsibility in case of non-fulfillment of obligations, which is a crucial element of the contract;
- 12) To free the salesman from responsibility of legal and obscure shortcomings;
- 13) To forbid the consumer reconciliation of his obligations toward the salesman with the obligations of the salesman towards the consumer;
- 14) To determine an insensible term in which the consumer must inform the salesman of the flaws of the products or services;
- 15) To determine the amount of the compensation the consumer must pay in case of not fulfilling some of his obligations, without setting the same amount of compensation in case of non-fulfillment of the obligations on the side of the salesman;
- 16) To determine the obligation of the consumer in an undetermined term, without specifying of a reasonable term for breaking of the contract;
- 17) To continue the validity of the contract in an unreasonably long term if the consumer did not break the contract in the determined term or to automatically extend the validity of the contract for a certain term in the absence of an opposite notification of the consumer, with a certain term left to the consumer for explanation regarding the extension of the contract which is too distant from the time appointed as end of contract;
- 18) To limit the means that can serve the consumer as evidence;
- 19) To obligate the consumer to give up his legal means against the salesman in case of litigation;
- 20) To allow the prosecutor, with a choice of some place for residence or seat which is stated in the contract, to declare its prosecution in a place that is different from the current home provisions for jurisdiction;

- 21) To affirm the amount of the compensation that can be sought in case of non-fulfillment or belatedness of the execution of the obligations of the consumer that obviously surpasses the amount of the damage that the salesman can probably suffer due to non-fulfillment or belatedness;
- 22) To authorize the salesman to break or change the contract because of introduction of the Euro. The provision of this section does not apply to the contract provisions that were arranged as a special subject of the contract. When the salesman asserts that the provision was specially arranged he should prove that. The provision is thought of as unjust and will be reckoned as not specially arranged if the contract was signed previously and if the consumer did not affect neither had the opportunity to affect the contents of the contract, and especially if it is a matter for a provision contained in a contract after the adjointment (adhesive contract or general provisions of business);
- 23) To overrule or confine the liability of the salesman in case of death, bodily and personal harm to the consumer caused by acting or not acting on behalf of the salesman;
- 24) To ascertain that the consumer has accepted, in a dishonest way, some contract provision which he could not have really known before the contract was made;
- 25) To allow the salesman to keep the amounts paid on behalf of the consumer when the contract was made without providing for the opportunity for the customer to remunerate the same amount from the salesman if the contract is non-fulfilled or broken;
- 26) To allow the salesman to keep the amount paid on behalf of the consumer even in circumstances when it is the salesman who is in breach of contract;
- 27) To limit the obligation of the salesman of respecting the obligations taken on by his agents or to subordinate the obligations of the salesman to respect of some special formality;
- 28) In an unfit manner, to exclude or confine the legal duties of the consumer related to the salesman or related to third persons in case of full or partial non-fulfillment of the arranged obligations on behalf of the salesman.
- 29) To authorize the salesman to relegate the execution of the contract to other persons, without the compliance of the consumer, if such a relegation will probably lead to lessening of the customer's guarantees.

Article 24

(1) All provisions that contain unjust clauses stated in article 23 of this law will be void. The contract will stay valid if it can exist without the unjust clauses.

(2) When a law that gives less protection to the customer than the provisions of this law is practiced in the contract, the provision of this law will be applied to the contract.

Chapter Three

DOCUMENTS RELATED TO THE SALE OF PRODUCT AND SERVICES

Article 25

(1) Every salesman is duly obligated to issue a receipt for the sold products or rendered services (invoice, purchaser invoice, cash-bill).

(2) When issuing of a receipt is regulated with paragraph 1 of this article, the consumer payment for the executed service is not due until he receives the prescribed receipt.

Article 26

All salesmen are duly obliged to submit a buying warrant in all cases when the delivery of the product or the execution of the service is delayed and when the price of the product or the service is paid by the customer in installments.

Part Six

CERTAIN TRADE PRACTICES

Chapter One

JOINT OFFER OF PRODUCTS AND SERVICES

Article 27

There exists joint offer of products and services when acquiring the products or services or acquiring the right to such products or services is dependent of or is in relation to acquiring another product or service.

Article 28

Joint offer for a total price is allowed:

- of products or services making up a whole;
- of identical products or services provided that:
 - a) each of the products and services could be purchased separately at their usual price in the same business office of the seller;
 - b) the consumer is clearly notified of this opportunity as well as of the selling price of each product or service;
 - c) lowering the price offered to the buyer of all the products or services does not exceed one third of total prices of products and services..

Article 29

Together with another product or service free of charge can be offered:

- accessories or products accompanying the basic product, especially adapted to that product by the manufacturer which are delivered at the same time with the basic product for the purpose of expanding or improving the way in which the basic product is used;
- packaging or containers used for protecting or conditioning of the product, taking into consideration the nature and value of such products;
- small presents and services which are considered as common in the trading practice as well as delivering, placing the product, control and maintenance of the products to sell;
- samples made by the manufacturer or the distributor of the basic product in the amount in which they are offered in quantities essentially important for estimating the quality of the product;

- watches of unimportant commercial value;
 - lottery tickets for authorized lotteries;
- (2) artificial milks and other food for infants up to six months age, bottles, nipples and dummies are forbidden to be given for free or to be sold together with other products.

Chapter two

PUBLIC SALES (AUCTIONS)

Article 30

(1) The regulations of this law will be implemented at the public offers for sale and the public sales by bidding, reducing the offered price or by exposing the purposes of such sales of products with the exception of:

- offers for sales and sales which have nothing to do with trade and commerce
- offers only for merchants;
- sales related to collections, works of art or antiquities except for carpets and jeweler provided that they take place in rooms where such sales normally take place;
- sales made in accordance with law or court warrant;
- sales in case of bankruptcy or liquidation.

Article 31

(1) Public sales in line with article 30 of this law are allowed only if they refer to products already used.

(2) Used products are all products that have obvious signs of having been used unless the obvious signs of usage result merely from the process of artificial wearing out.

Article 32

(1) The public sales may be carried out only in facilities exclusively intended for this purpose.

(2) Every organizer of a public sale is obliged to obey the provisions of paragraph 1 of this Article and Article 31 of this law.

(3) The organizer of the public sale must make legible his name or firm, his home address as well as his firm address and register number of the corresponding register as well as inform the inspectoral body thereof within eight days following the date of initiating the public sale. Such data must be given in each announcement, advertisement and in each document related to the public sale.

Article 33

(1) The authorized inspection is obliged to control the implementation of the public sale.

(2) For the control performed mentioned in paragraph 1 of this article, the inspector in charge will make a report. A copy of the report will be submitted to the organizer of the public sale or to his representative or employee.

(3) The authorized inspector is entitled to stop the sale of particular products or the whole public sale on the spot, in case of violation of the regulations.

(4) The authorized inspection can confiscate the products which are object of sale. For the confiscated products the inspector shall issue a receipt and shall undertake measures according to the law.

Chapter three

DISTANCE CONTRACTS

Article 34

(1) For the purposes of this chapter:

- **distance contract** means any contract concerning goods or services concluded between a seller and a consumer under an organized sales or service system run by the seller, who, for the purpose of the contract, makes exclusive use of one or more means of distance communication up to and including the moment at which the contract is concluded;
- **means of distance communication** means any means which, without the simultaneous physical presence of the seller and the consumer, may be used for the conclusion of a contract between those parties. Possible means of distance communication covered in the provisions of this Law are as follows: non-addressed printed material, addressed printed material, letter, advertising in daily or weekly newspaper with enclosed order or coupon for purchasing goods or services, catalogue, telephone call with human intervention, telephone call without human intervention as an automatic secretary machine or auditex, radio, videophone (telephone with video screen), videotex (microcomputer and TV screen) including keyboard or monitor managed by touch, electronic post, fax, television (TV-shopping);
- **operator of a means of communication** means any natural or legal person whose business activity involves making one or more means of distance communication available to seller.

Article 35

The provisions of this Law shall not apply to contracts relating to:

- financial services;
- made on slot machines or automatic trade premises;
- concluded through telecommunication operators by using public telephone booths;
- contracts for purchasing food products, beverages or other goods for every day consumption being delivered to the home of the consumer, to one's residence or to one's job location by regular dealers;

- contracts for providing accommodation services, transport, catering or recreation, the merchant undertaking the provision of such services on the exact date or at a certain time period;
- contracts concluded at auctions;
- contracts concluded between the merchant and the consumer through their agents.

Article 36

(1) At the time when the offer is given on sale between absent persons, the customer has to be informed in clear, definite and comprehensible manner, appropriate to the means of distance communication, particularly for the following elements:

- the identity of the supplier and his address;
- the main characteristics of the goods or services;
- the price of the goods or services;
- delivery costs, where necessary;
- the arrangements for payment, delivery, signing and performance of the contract;
- the existence or non existence of a right of withdrawal;
- the way of returning or restitution of product, including eventual cost;
- the cost of using the means of distance communication, where it is calculated other than at the basic rate;
- the period for which the offer or the price remains valid;
- where necessary, the minimum duration of the contract in the case of contracts for the supply of specific products or services to be performed permanently or recurrently.

(2) In the case of telephone communications, the identity of the seller and the commercial purpose of the call must be made explicitly clear by the seller at the beginning of any conversation with the consumer.

Article 37

(1) An offer for distant contracts will be sent in written or through media accessible to the absent consumer. The offer to an absent consumer apart from the essential elements of the agreement, will also consist of the following elements:

- Information regarding the conditions and procedures for exercising the right of withdrawal, upon simple statement by the consumer;
- the address of the place of business of the seller to which the consumer may address any complaints and statements,
- information on after-sales services and guarantees which exist,
- the conditions for canceling the contract, where it is of unspecified duration or a duration exceeding one year.

Article 38

(1) For any distance contract the consumer must have a period of at least seven working days in which to withdraw from the contract without penalty and without giving any reason.

(2) The only charge that may be made to the consumer because of the exercise of his right of withdrawal is the direct cost of returning the goods.

(3) The period for exercise of the right referred to in paragraph 1 of this Article shall run:

- For goods: from the day of receipt by the consumer or from the day on which the information laid down in article 37 of this Law is supplied to him, provided it was supplied after the product delivery;
- For services: from the day of conclusion of the contract or from the day on which the information laid down in article 37 of this Law is supplied to him after conclusion of the contract.

(4) The right of withdrawal mentioned in paragraph 3 may be exercised within the period determined in paragraph 5 of this article.

(5) If the supplier has failed to fulfill the obligations laid down in Article 37 of this Law, the contract cancellation period shall be three months. The period shall run:

- For goods: from the day of receipt by the consumer,
- For services: from the day of signing the contract.

(6) If the information referred to in Article 37 of this Law is supplied to the consumer within this three-month period, the seven working day period referred to in the 1 paragraph begins as from that moment. The terms for breaking the contract begin immediately after first receipt in case of successive product receipt. The customer can withdraw the contract provided he informs the seller prior to expiration of the determined period.

(7) Unless the parties have agreed otherwise, the consumer may not exercise the right of withdrawal provided for in paragraph 1 and 3, in respect of contracts:

- for the provision of services if performance has begun, with the consumer's agreement, before the end of the seven working day period,
- for the supply of goods made according to the consumer's specifications or clearly personalised or which, by reason of their nature, cannot be returned to the seller because they may be damaged or deteriorate rapidly,
- for the supply of audio or video recordings or computer software which could have been copied by the consumer,
- for the supply of newspapers, periodicals and magazines,
- for gaming and lottery services.

Article 39

(1) Unless the parties have agreed otherwise, the supplier must execute the order within a maximum of 30 days from the day following that on which the consumer forwarded his order.

(2) In case the seller fails to fulfill the obligations from the contract because the products and services ordered by the consumer are not at disposal, the consumer must be informed immediately and refunded of any amounts that he has paid immediately or during the expiration of 30 days.

Article 40

(1) If it is related to a payment request, the delivery of goods and services to consumers, without previously being ordered by the consumer, will be prohibited.

(2) The consumer will not be obliged to pay the compensation for the goods being delivered without his previous approval.

Article 41

(1) In distance contracts, the burden of proof concerning the existence of prior information, written confirmation or lasting document, compliance with time limits or consumer consent lies with the seller.

(2) In distance contracts, use by a seller of automated calling system without human intervention (automatic calling machine) or facsimile machine (fax) requires the prior consent of the consumer.

(3) All contractual provisions by which the consumer may give resignation to rights given in the provisions of this article will be null.

(4) The contractual provisions for implementing the law of a foreign country, as appropriate one, where the customer is in less favorable position than the position laid out in this Law, will be null.

Chapter four

CONTRACTS NEGOTIATED AWAY

FROM BUSINESS PREMISES OF THE SELLER

Article 42

Contracts concluded outside the business premises of the seller supplies are sales contracts concluded at:

- the consumer's home or at that of another consumer, as well as the customer's place of work, where the visit does not take place at the express request of the consumer.
- during a travel or an excursion organized by the salesmen or on his behalf;
- in selling showrooms, fairs and exhibitions, up to the total amount of the product or service not payable at site, provided the amount is not above 5000 DEM in denar counter value.

Article 43

The provisions from article 42 of this Law do not apply to:

- Sales described in article 42 paragraphs 1 related to goods and services for which the consumer visited or had prior invitation to visit the business premises of the seller in order to sign a contract for purchasing goods or services. It shall not be deemed that the consumer was previously invited if he has accept an invitation for visiting the business premises recommended to him by the seller on the telephone;
- Sales of foodstuffs or beverages or other goods intended for current consumption in the household by the seller that supplies the consumers, in determined regular intervals, delivering the goods to the consumer's home
- public sales;
- distance contracts;
- insurance contracts;
- sales organized within presentations without having commercial character and specifically for philanthropic aims, under the conditions determined by

the law and up to the amount not exceeding 1000 DEM in denar counter value;

- contracts on consumer credits;

Article 44

(1) In case of contracts between the seller and the consumer away of business premises of the seller, the seller is duly obliged to notify the consumer in written for his right of canceling the contract with a simple statement, within a period of minimum seven working days.

(2) The seller is obliged to inform the consumer in written for the address where the announcement for terminating the contract can be sent.

Article 45

The Law on obligations shall be applicable to contracts concluded away of business premises of the seller.

Part seven

GENERAL SAFETY OF PRODUCTS AND RESPONSIBILITIES

Chapter one

GENERAL SAFETY OF PRODUCTS

Article 46

The seller is duly obliged to place on market only safe products in compliance with determined technical requests and regulations for certain products and request determined for environmental and nature protection and people's health.

Article 47

Safe product shall mean any product which, under normal or reasonably foreseeable conditions of use, including duration, does not present any risk or only the minimum risks

compatible with the product's use, considered as acceptable and consistent with a high level of protection for the safety and health of persons, taking into account the following points in particular:

- the characteristics of the product, including its composition, packaging, instructions for assembly, use and maintenance;
- the effect on other products, where it is reasonably foreseeable that it will be used with other products;
- the presentation of the product, the labeling, any instructions for its use and disposal and any other indication or information provided by the producer;
- the categories of consumers at serious risk when using the product, in particular children.

Article 48

- (1) **Unsafe product** shall mean any product which does not meet the definition of safe product according to article 47 of this Law;
- (2) The product shall not be considered as unsafe if at its later stage there is a product placed on a market that according to its characteristics is considered safer.

Article 49

The seller is obliged to sell the product to the consumer, to render service of such quality, quantity and quality that fully satisfy the determined technical requirements and regulations, standards, norms and contract conditions, emphasized requests, as well as to the information the seller gave on goods or service.

Article 50

- (1) The products for which the manufacturer, importer or the representative of a foreign company must issue a warrantee for quality, i.e. for the proper functioning of the product, to provide a service for maintaining and reparation and for spare parts supply within the

guarantee period and minimum duration thereof are foreseen by technical regulations whereas the same is duly obliged to act upon the request of the guarantee beneficiary and to eliminate the defects of the products or to make replacement of the defected product with a new and proper one.

(2) The manufacturer is obliged to provide a guarantee list for the products that fulfill the conditions given in the technical regulations. The guarantee list must contain:

- the name and the main office of the company or the issuer of the guarantee
- data on the product that identify the same
- statement for the guarantee and conditions for the same
- duration of the guarantee
- the name and the main office of the company or other legal entity that is selling the product on retail trade, date of the selling, seal and signature of the authorized employee, if plants, equipment or other means for operation are in question the name and the main office of the company or of the supplier, date of starting the operation or the passing of the product to the user for operating and signature of the authorized employee are needed.

(3) The costs for the material, the spare parts, operational costs, transport of the product that occur during the elimination of the defects, i.e. the replacement of the product with a new one on the basis of the guarantee are on the expense of the issuer of the guarantee.

Article 51

Distributors are required to act with due care in order to help to ensure compliance with the general safety requirement. In particular, within the limits of their respective activities, they have to participate in monitoring the safety of products placed on the market, especially by passing on information on product risks and co-operating in the action taken to avoid these risks.

Article 52

The provisions of this law, for general safety of the products shall not be applied to used second hand products, products bought as old ones, as antiquities, or as products that need to be repaired or fixed before they are put on sale, in case the consumer was properly previously informed by the seller.

Chapter two SAFETY OF TOYS

Article 53

(1) **A toy** shall mean any product or material designed or clearly intended for use in play by children of less than 14 years of age.

(2) The following products shall not be regarded as toys:

- Christmas decorations;
- Detailed scale models for adult collectors;
- Equipment intended to be used collectively in playgrounds;
- Sports equipment;
- Aquatic equipment intended to be used in deep water;
- Folk dolls and decorative dolls and other similar articles for adult collectors;
- Professional toys installed in public places (shopping centers, stations, etc.);
- Puzzles with more than 500 pieces or without picture, intended for specialists;
- Air guns and air pistols;
- Fireworks, including percussion caps;
- Slings and catapults;
- Sets of darts with metallic points;

- Electric ovens, irons or other functional products operated at a nominal voltage exceeding 24 volts;
- Products containing heating elements intended for use under the supervision of an adult in a training or educational process;
- Vehicles with combustion engines;
- Toy steam engines;
- Bicycles designed for sport or for travel on the public highway;
- Video toys that can be connected to a video screen, operated at a nominal voltage exceeding 24 volts;
- Babies' dummies;
- Faithful reproductions of real fire arms;
- Fashion jewelry and bijouterie for children.

Article 54

(1) Toys may be placed on the market only if they do not jeopardize the safety and/or health of users or third parties when they are used as intended or in a foreseeable way, bearing in mind the normal behavior of children.

(2) In the condition in which it is placed on the market, taking account of the period of foreseeable and normal use, a toy must meet the safety and health conditions laid down in this Law.

(3) The expression “placed on the market” shall cover both sale and distribution free of charge.

Article 55

(1) Toys are not allowed to be placed on the market unless they meet the essential safety requirements as mechanical, physical, chemical, electrical and hygiene characteristics.

(2) The closer conditions of the characteristics mentioned in paragraph 1 of this article are prescribed by the Minister of economy in collaboration with the Minister of health.

Article 56

Toys must not contain radioactive elements and substances.

Article 57

Toys must be accompanied by appropriate clearly legible warnings in order to reduce inherent risks in their use as described in the essential requirements.

Chapter three

PRODUCT RESPONSIBILITIES

Article 58

(1) The producer is liable for damage caused by a defect in his product.

(2) Any person who imports on the territory of Republic of Macedonia a product for sale, hire, leasing or any form of distribution in the course of his business shall be deemed to be a producer and shall be liable for damage in accordance with paragraph 1 of this article.

(3) The distributor or the seller of the product that caused the damage shall be treated as producer:

- in case of the product manufactured on the territory of Republic of Macedonia, the producer cannot be identified, unless the supplier informs the injured person, within a reasonable time, of the identity of the producer;
- In the case of an imported product, if this product does not indicate the identity of the importer, even if the name of the producer is indicated, unless the supplier informs the injured person, within a reasonable time, of the identity of the producer;

Article 59

- (1) The product can be with legal and material defects.
- (2) The responsibility regarding legal defects of the product will be determined according to the provisions of the Law on obligations.
- (3) The product will be defined as having material defect when its quality, or quantity is not complete and it does not provide any security the person expects to be entitled based upon all circumstances, as follows:
 - based upon product presentation;
 - the purpose of the reasonable usage the product is planned for;
 - time period the product is placed on the market;
- (4) The product will not be considered having a defect, if there is a better product placed on the market afterwards.

Article 60

- (1) The consumer having bought the goods with defect will be entitled, according to one's own choice to request the following:
 - free elimination of defects on (goods) products or compensation of costs imposed by eliminating the defect by the consumer or by a third person;
 - proportional decrease of selling price;
 - replacement with goods (product) with appropriate trade mark (model or type);
 - replacement with the same type of goods with a different trade mark (model, type) by appropriate calculation of the selling price;
 - termination of agreement, refund of paid amounts and compensation of caused damages;

(2) Upon personal choice, the consumer can post the requests from paragraph 1 of this Article in the premises the goods are bought, or, at the location of one's residence.

Article 61

When the consumer has bought food products with defect, the seller will be obliged to replace them with goods of appropriate quality, or, return to the buyer the amount paid, if the defects are within the limits of the expiry date of the product.

Article 62

(1) In order to accomplish the rights from Article 60 of this Law, the consumer will be obliged to submit the bill (receipt) on product, or, guarantee paper or another document instead for product with guarantee time period.

(2) The seller or the producer is obliged to accept the goods from the consumer and meet the requests, if not able to prove that the defects of the goods were made due to the violation of usage or handling made by the consumer or third persons or vis major.

(3) The consumer will be entitled to participate in the inspection of the quality of goods.

(4) The delivery of goods heavier than 5 kg, due to correction, evaluation, replacement or return of the consumer will be made free by the merchant. If this obligation is not met and when at the residence area of the consumer there is no seller or producer the delivery and the return of the product can be made by the consumer. In such cases, the merchant will be obliged to compensate necessary expenses related to the delivery and return of the goods.

Article 63

(1) The consumer will be entitled to point out the requests from Articles 60, 61 and 62 of this Law, if the defects of the product have been noticed during the guarantee period defined by the producer.

(2) Regarding the products without a defined guarantee period, the consumer will be entitled to point out the requests to the producer from Articles 60, 61, 62 and 63 of this Law, if the defects have been noticed within six month period from the date the product has been given to the consumer, unless longer time period has been defined through an agreement or another law.

(3) The expiry date will be obligatorily determined for products with terms of usage that can be deteriorated after a certain period of time (perishable goods); or, products which after a certain period of time can endanger the life, health or property of the consumer or the environment (food products, perfumes and cosmetics, medicine, chemical products for basic needs of the population, etc).

Article 64

(1) The sale of products with an expired date will be forbidden.

(2) The requests stipulated in Article 60 cannot be submitted upon products with defects noticed after their expiry date.

(3) The terms from paragraph 1 of this Article will commence from the day the product was submitted to the consumer. If that date is impossible to be defined, than the production date will be taken into consideration.

(4) The time limits on the usage will commence from the production date.

Article 65

(1) The producer is obliged to eliminate the defects noticed on the product within 10 days, and the seller will be obliged to do the same within 20 days from the moment the related request of the consumer has been pointed out.

(2) The seller is obliged to submit to the consumer an appropriate product immediately after the reception of a request of the consumer upon products created for longer usage,

so that the consumer can use them during the time the product previously obtained is repaired.

(3) In case the defect of the product is eliminated within the guarantee period, the time period for using the product will be extended by the time period the product has not been used. This time period will be considered from the date the consumer submitted a request for eliminating the defect.

(4) In case the defects are being eliminated by replacing the product to be assembled or being apart of the product with determined guarantee period, the guarantee period of the new product to be assembled or being a part of a product, will commence from the delivery date of the product the producer eliminated the defect from.

Article 66

(1) In case the consumer notices a defect on a product, the seller will be obliged to replace the product immediately, following a request of the consumer.

(2) In case the seller needs additional checking of the quality of the product, the seller shall make the replacement of the product within 20 days from the date the consumer submitted a request.

(3) In case the seller does not have an appropriate product, he will be obliged to fulfill the replacement within one month, if there is not appropriate product at the moment the consumer presents the request.

(4) For replacing a product, the guarantee period will commence from the date the product of the consumer has been submitted.

Article 67

(1) Price correction will not be made when replacing product with defect of the same trade mark, model and type, in case there is a price change.

(2) Price correction of the product will be made when there is termination of agreement, if, in the meantime, there has been a price increase, starting from the price the request has been submitted. If in the meantime, there has been price decrease, the starting point will be the price of the product at the moment it was purchased.

(3) When replacing the product with a defect with a product of another trade mark (model, type), in case the price of the product has been increased, the price correction will be made upon the price at the moment of replacement.

(4) The consumers having bought products on credit, in case of termination of the agreement, shall be refunded the money, equal to the amount being paid until the moment the product is returned, and compensated for what has been paid for receiving a loan.

Article 68

(1) The consumer will be entitled to replace the product with the seller not being appropriate regarding the shape, size, model, color, number or due to other reasons.

(2) The consumer will be entitled referring to paragraph 1 of this Article, within 14 days, not taking into consideration the date when the product was bought.

(3) The replacement with the product of appropriate quality will be made, if the product has not been used, if the shape of the product has been kept, its utilization components, seal, factory labels, as well as the bill or the receipt for the product being given to the seller during the product delivery.

(4) At the moment the consumer points out that the product is not appropriate (a product that will not meet his needs), the consumer will be entitled to terminate the agreement upon his choice and ask for return of the paid amount, or to replace the product with an appropriate one immediately when such a product is provided. The seller will be obliged

to inform the consumer asking for replacement of a product, that such an appropriate product has been provided for selling.

Article 69

Regarding the compensation for the damage of defected products, the provisions from the special laws for compensation for the damage shall be applicable.

Article 70

(1) The consumer will be obliged to prove the damage, the defect of the product or the relation between the defect and the damage.

(2) Regarding the issues not regulated by this Law, the provisions from the Law on obligations shall be applicable for the responsibility of the producers.

Article 71

The producer will not be responsible for the defect of the product upon this Law, if he manages to prove the following:

- he has not placed the product on the market;
- taking into consideration all circumstances, the defect that imposed damage did not exist in the time period when the merchant put the product into circulation or the defect appeared later;
- the seller has not produced the product for selling and distribution in economic sense, or, he has not produced and distributed the product as part of its business enterprise, i.e., regular operations;
- the level of the scientific and technical knowledge, when the seller placed the product on the market, did not enable existence of defects and their disclosure;
- the defect can be imputed to the design of the product where that part has been incorporated or to instructions given by the producer of the final product.

Part eight
CONSUMERS' ASSOCIATIONS AND CONSUMERS' COUNCIL

Chapter one
CONSUMERS' ASSOCIATIONS

Article 72

The consumers' associations shall have the following rights:

- to give opinions upon draft laws and other regulation affecting the consumers' rights;
- to be informed by authorized bodies for preparation of regulations affecting the consumers' protection;
- to submit initiative to competent bodies for regulating certain issues regarding the consumers' protection;
- to revise the consumer complaints and consult the consumers regarding issues from the legislation for consumer protections;
- to compute information on damages imposed on life, health and property of the consumers, caused by dangerous products or dangerous activities (services) and submit that to the authorized body;
- to submit complaints to authorized courts in order to protect the consumer rights upon their initiative or upon the consumer initiative (groups of consumers) or regarding a separate group of consumers.

Article 73

The consumers' association may provide mediation in consumers disputes between the seller and the consumer regarding the sold product or service rendered.

Chapter two
CONSUMERS' COUNCIL

Article 74

(1) The Government of Republic of Macedonia forms a special Consumers` Protection Council (hereinafter: Council).

(2) The Council consists of members-representatives of the administration bodies which competences are related to consumers' protection and consumers' organizations and representatives of the Macedonian Chamber of Commerce in the field of trade.

(3) The council shall be in charge for consumers' protection and excising of their rights regarding the health protection, safety, economic interests and their regular informing for excising of their own rights.

(4) The Council especially cares for consumers' protection of the following: juveniles, elderly and feeble persons, socially endanger people, illiterate people, emigrants and people that have a resident in heavily accessible areas.

Part nine
SUPERVISION

Article 75

(1) The Ministry of economy is in charge for supervision over the legitimacy of the implementation of this Law.

(2) The Republic market inspectorate shall carry out the supervision under conditions and ways determined by a special law.

(3) The republic sanitarian inspectorate shall carry out the supervision regarding the health correctness of toys, under conditions and ways determined by a special law.

(4) The Republic environmental inspectorate shall carry out the supervision regarding the safety of products on environment and nature, under conditions and ways determined by a special law.

Part ten

PENALTY PROVISION

Article 76

(1) A legal entity will be fined from 80,000 to 240,000 denars for offence if :

1. it place on the market products not in compliance with article 46 of this Law;
2. it does not give a warrant to consumer for products according to the Law or it does not provide service or supply of spare parts within the warranty period for such products or does not act upon the consumer's request and does not remove the defects of the product or does not replace it with a same new one (Art. 50)
3. the distributors does not implement the provisions from article 51 of this Law;
4. the toys are placed on the market contrary to article 54, paragraphs 1 and 2, article 55 and article 56 of this Law;

(2) For the activities from paragraph 1 of this Article, besides the financial penalty, a security measure – ban for performing the activity in duration from 3 moths up to one year for the legal entity shall be pronounced.

(3) For the activities from paragraph 1 of this Article, the person in charge of the legal entity shall be fined for a misdemeanor with a financial fine from 15.000 to 45.000 denars and a security measure – ban for performing the activity in duration from 3 months up to one year for the legal entity shall be pronounced.

Article 77

(1) A legal entity will be fined from 40,000 to 120,000 denars for misdemeanor if:

1. perform advertising contrary to the prohibition determined in article 14 and article 15 of this Law;
2. the advertising lead to confusion or puzzle the consumers in a way determined in article 16, paragraph 1 of this article;
3. does not submit a buying warrant to consumers pursuant to article 26 of this Law;
4. does not respect the prohibition determined in article 29, paragraph 2 of this Law;
5. refuse to eliminate free of charge the defects of products or to make replacement with the same type of goods or refuse to return the payment made for the defected product (article 60, paragraph 1, items 1,3 and 5).

(2) For the activities from paragraph 1 of this Article, besides the financial penalty, a security measure – ban for performing the activity in duration from 3 months up to one year for the legal entity shall be pronounced.

(3) For the activities from paragraph 1 of this Article, the person in charge of the legal entity shall be fined for a misdemeanor with a financial fine from 10.000 to 30.000 denars and a security measure – ban for performing the activity in duration from 3 months up to one year for the legal entity shall be pronounced.

Article 78

(1) A legal entity will be fined from 15.000 to 45.000 denars for offence if :

1. it does not put a price label on the product in a visible position, it does not maintain the price and the price is not stated in denars (article 3 and 4);
2. it does not inform about price and tariff reduction according to Article 5 of this law;
3. it has not marked the nominal quantity of confectionary products (Article 7);
4. the indications of measurement instruments it uses are not readable and visible for the consumer (Article 8);
5. it acts against the obligations according to 21 of this Law;
6. it does not give a purchase warrant to the consumer for the sold products (Article 25);

(2) The person responsible for the legal entity will be fined from 5.000 to 15.000 denars for offence according to paragraph 1 of this Article.

Part eleven

FINAL AND TRANSITIONAL PROVISIONS

Article 79

Upon the entrance into force of this law, the following articles cease to be valid: article 14, item 2 and item 3, article 15 and article 49, paragraph 1, item 10, item 11 and item 12 from the Law on Trade ("Official Gazette of Republic of Macedonia" no. 23/95, 30/95, 43/95, 23/99 and 43/99), as well as article 67 paragraph 1,2 and 3 and article 82 paragraph 1 item 12 from the Law on standardization ("Official Gazette of Republic of Macedonia" no. 23/95).

Article 80

(1) The regulation foreseen in Article 55 paragraph 2 from this law shall be enacted six months after this Law enters into force.

(2) Till the enactment of the regulations from paragraph 1 of this Article, the By-law for terms regarding the sanitary conditions of the goods for public use that may be put on the market ("Official Gazette of SFRJ" No. 23/95) shall be applied.

Article 81

This Law shall come into force on 8 days after its promulgation in the "Official Gazette of Republic of Macedonia".