



CERHA HEMPEL CEE NEWSLETTER *Bulgaria*

Amendments to the Bulgarian Consumer Protection Act

The Bulgarian Parliament recently adopted a number of amendments to the Bulgarian Consumer Protection Act (“CPA”). The changes are primarily aimed at transposing Directive (EU) 2019/2161 of the European Parliament and of the Council of 27 November 2019 amending Council Directive 93/13/EEC and Directives 98/6/EC, 2005/29/EC and 2011/83/EU of the European Parliament and of the Council as regards the better enforcement and modernisation of Union consumer protection rules (“Directive 2019/2161”). Below we provide a brief overview of some of the changes.

Revised legal terminology and information requirements

Taking account of increasing digitalization, key definitions provided in the CPA (such as “product” and “service contract”) have been amended to include digital aspects, and transparency policies have been put in place for online marketplaces. A number of additional preliminary information requirements will apply in the context of distance contracts and online marketplaces, including the obligation to provide information on the main parameters determining the ranking of offers made to users in response to their demand, and on whether the third party offering the goods, services or digital content is a trader or not.

Unfair commercial practices

The prohibition of unfair commercial practices has explicitly been extended to a number of misleading practices often encountered in an online environment, including: the provision of search results in response to a user's online search with-

out clearly notifying the user of any paid advertising/payment made to achieve a better ranking in the search results; claiming that product reviews are submitted by consumers who have actually used or purchased the product without taking reasonable steps to verify that the reviews are made by those consumers; providing false consumer reviews.

Increased sanctions

Another important change in the CPA concerns the introduction of turnover-based fines, in line with the requirements of Directive 2019/2161. Sanctions of up to 4% of annual turnover may be imposed in the case of certain “widespread violations” (i.e. violations affecting collective consumers' interests in at least three Member States) and “widespread violations with a Union dimension” (i.e. violations affecting collective consumers' interests in at least two-thirds of the Member States, constituting at least two-thirds of the EU population). The relevant infringements mainly concern the application of certain unfair commercial practices, the violation of certain information obligations and the continued application of unfair clauses that have been declared unfair by a binding court decision.

Most of the remaining fines provided in the CPA have also been significantly increased and can go up to BGN 70,000 (approx. EUR 35,000) for certain aggressive and misleading practices.

For more information

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