

New e-commerce rules take effect

03 May 2021 | Contributed by [Gorodissky & Partners](#)

Introduction

Basic provisions for online sales

New e-commerce rules

Amendments to consumer dispute resolution procedure

Comment

Introduction

E-commerce and online trade have become popular business tools for promoting, offering and selling goods and services online, especially in the context of the COVID-19 pandemic. Russia is a big e-market and will doubtless continue developing. In 2020 online sales accounted for nearly 10% of all retail sales in Russia.⁽¹⁾ E-commerce growth, which reached 28% in Russia in 2019, accelerated to 44% in 2020.⁽²⁾ The Russian Online Retail Association predicts that by 2025 the Russian e-market will be worth \$128.8 billion.⁽³⁾

From a legal perspective, online trade is governed by:

- the Civil Code;
- the Federal Law on Communications (7 July 2003 (126-FZ));
- the Federal Law on Information, Information Technologies and Information Protection (27 July 2006 (149-FZ));
- the Federal Law on Personal Data (27 July 2006 (152-FZ));
- the Federal Law on Advertising (13 March 2006 (38-FZ)); and
- other applicable laws.

Further, online trade is subject to the Law on Protection of Consumers' Rights (7 February 1992 (2300-1)).

On a lower law level and in support of the main retail principles provided by the Civil Code and the Consumer Protection Law, the government has set certain specific requirements for e-commerce. On 1 January 2021 the [New Rules for Sales of Goods in Retail](#), adopted by Resolution 2463 (31 December 2020), took effect. Further, on 18 March 2021 potential changes to the consumer dispute resolution procedure were announced at an official [government meeting](#).

This article describes the basic regulations that govern online sales and highlights the important provisions of the new e-commerce rules. It also comments on the suggested initiative relating to the consumer dispute resolution procedure.

Basic provisions for online sales

Online sales fall within the notion of 'distant sales' under Article 26(1) of the Consumer Protection Law. The key provisions of such law are as follows:

- The seller must provide the consumer with information about the following in Russian (usually in an e-shop's terms of sale):
 - the main consumer-related features of the goods;
 - its address;
 - the place of manufacture of the goods;
 - its full company (ie, the manufacturer);
 - the price and terms of purchase of the goods;
 - the delivery of the goods;
 - the service life, expiration date and warranty period of the goods;
 - the payment method for the goods; and
 - the period during which the offer to conclude the contract is valid.
- At the time of delivery of the goods, the seller must provide the consumer (in writing) with information

AUTHORS

[Sergey Medvedev](#)



[Ilya Goryachev](#)



about the purchased goods and the procedure and terms for returning the goods within the scope required by the law.

- The consumer may cancel its purchase at any time before the delivery of the goods and within seven days after the delivery.
- If the seller does not provide information about the procedure and terms for returning goods of proper quality in writing at the time of delivery, the consumer may cancel its purchase within three months of the delivery date.
- The consumer may return products of proper quality if the following are preserved:
 - the product's marketable appearance;
 - the consumer's property right; and
 - a document which confirms the fact and conditions of purchase of the specified product – however, the lack of such document does not deprive the consumer of the right to refer to any other evidence of the purchase from the seller.
- The consumer may not cancel a purchase of a product of proper quality that has an individually defined property (ie, if the specified product can be used exclusively by the consumer who is purchasing it).
- If the consumer cancels its purchase, the seller must refund it the amount paid by the consumer under the contract, excluding the seller's expenses relating to the delivery of the returned goods from the consumer, within 10 days of the date of the consumer's submission of the corresponding claim.

The above provisions are mandatory under local consumer law. The Supreme Court has already confirmed that Russian law applies to foreign e-shops if their business activity is aimed at Russian consumers.⁽⁴⁾ The Supreme Court has further clarified that an e-shop can be considered as targeted at Russian consumers if:

- its website is in Russian;
- it gives prices in Russian rubles;
- it provides a contact phone number with a Russian code; or
- other similar evidence exists (eg, the website owner has ordered services which aim to increase citations of its website by Russian internet users).

New e-commerce rules

The new e-commerce rules replace the rules on online trade in Russia which were adopted in 2007. The new e-commerce rules contain more specific and updated legal requirements:

- The seller must conclude a retail sale and purchase agreement with any person who has expressed an intention to purchase the goods on the terms of the offer.
- The seller's obligations to transfer the goods and other related obligations arise from the moment that the seller receives the consumer's message about its intention to conclude a retail sale and purchase contract, unless the seller's offer contains another condition regarding the moment that the seller's obligation to transfer the goods to the consumer arises.
- The retail sale and purchase agreement are considered as concluded from the moment that:
 - the seller issues a cash or sales receipt or another document which confirms the payment of the goods to the consumer; or
 - the seller receives a message from the consumer about its intention to conclude a retail sale and purchase agreement.
- The seller must provide the consumer with confirmation of the conclusion of the retail sale and purchase agreement on the terms of the offer which contains the essential terms of such agreement after the seller receives the consumer's notification of its intention to conclude the retail sale and purchase agreement. The confirmation must contain the product order number or another method of identifying the product order to enable the consumer to obtain information about the concluded retail sale and purchase agreement and the terms thereof.
- The seller or a person authorised thereby may acquaint a consumer who has entered into a retail sale and purchase agreement with the purchased goods before transferring them to the consumer.
- Goods are recognised as not intended for sale by distant sale if the sale of goods on a website, webpage or through a software application implies the preliminary agreement of the terms of the retail sale and purchase agreement – including the availability, name and quantity of the goods – as well as where the seller has clearly determined that the relevant goods are not intended for sale by remote sale.
- The seller must enable the consumer to review the offer by placing it on a website, webpage or software application, unless the agreement between the seller and the owner of the aggregator (ie, the online platform) provides for a different procedure for performing this obligation.
- The seller must provide the consumer with complete and reliable information which characterises the offered goods by posting such information on a website, webpage or software application or publishing it via another means of communication (ie, telecoms or radio) or in other information materials (eg,

catalogues, booklets, brochures or photographs). The seller's obligation under Article 26(1)(3) of the Consumer Protection Law is also recognised as fulfilled if the seller provides information to the consumer using electronic or other technical means.

- Entities registered in Russia which are selling goods by distant sale in Russia must indicate their full company name, principal state registration number, address and location, email address and phone number. Entrepreneurs registered in Russia who are selling goods by distant sale in Russia must indicate their last name, first name, patronymic (if any), principal state registration number, email address and telephone number. This information must be communicated to the consumer by posting it on a website, webpage or software application (if available).
- Goods must be delivered to the address specified by the consumer. In the absence of the consumer, goods may be delivered to any person who presents information about the product order number or other confirmation of the conclusion of the retail sale and purchase agreement or product order processing (including electronic confirmation). If the delivery of the goods is made within the terms established by the retail sale and purchase agreement but the goods are not transferred to the consumer through the consumer's fault, a subsequent delivery must be made under new terms agreed with the seller on the terms stipulated by the retail sale and purchase agreement.
- The seller must inform the consumer of the form and methods of filing claims and bringing actions. If such information is not provided by the seller, the consumer may file a claim against the seller in any form and by any means.
- The seller's obligation to return the amount paid by the consumer under the retail sale and purchase agreement arises in accordance with Article 26(1)(4) of the Competition Protection Law.
- The seller must bear the costs of returning the amount paid by the consumer in accordance with the retail sale and purchase agreement for goods of inadequate quality. In all other cases, the allocation of these costs is determined by the offer.
- Where the consumer pays for the goods by transferring funds to a third-party account specified by the seller, this does not relieve the seller from the obligation to return the amount paid by the consumer if the consumer returns goods of either proper or inadequate quality.
- Consumer identification for the purposes of concluding or executing a retail sale and purchase agreement using the Internet can be carried out, among other methods, using the federal state information system, *Госуслуги*, if the need for such identification is provided for by law.

Amendments to consumer dispute resolution procedure

On 18 March 2021 Prime Minister Mikhail Mishustin specifically addressed the issue of online trade at an official government meeting. He highlighted that the government has prepared amendments relating to the consumer dispute resolution procedure.

The amendments will aim to launch a special service on the Unified Portal of Public Services (to be called '*Gosusligi* and commonly used services among Russian audience'). It will provide consumers with a legal opportunity to contact e-stores and present claims against products. During the dispute settlement process, consumers will be able to:

- return the product;
- replace the product; or
- get a discount on future purchases.

As mentioned above, the new e-commerce rules oblige the seller to inform the consumer of the form and method of submitting claims and bringing actions. If such information is not provided by the seller, the consumer may file a claim against the seller in any form or by any means.

Comment

The new e-commerce rules took effect on 1 January 2021. The Federal Service for Surveillance on Consumer Rights Protection and Human Wellbeing (*Rospotrebnadzor*) must ensure that law enforcement practice in the field of distant sales under a retail sale and purchase agreement is monitored and subsequently submit a report to the government by 1 July 2021. *Rospotrebnadzor* will soon release further news and practices as well as updated case law.

In the meantime, local and foreign online businesses must check their compliance with the existing terms of sale and other legal documents that regulate the e-commerce rights and obligations published on their e-stores. This is also relevant for mobile applications and software services. Businesses should correct any inconsistencies with the new e-commerce rules promptly.

Due to the ever-increasing importance of online trade and the expansion of e-commerce platforms, national

and international businesses which operate in Russia must monitor legal developments in this area.

For further information on this topic please contact [Sergey Medvedev](#) or [Ilya Goryachev](#) at Gorodissky & Partners by telephone (+7 495 937 6116) or email (medvedevs@gorodissky.ru) or goryachevi@gorodissky.ru). The Gorodissky & Partners website can be accessed at www.gorodissky.com.

Endnotes

- (1) For further information please see the Statista [website](#).
- (2) For further information please see the Paypers [website](#).
- (3) For further information please see the Switzerland Global Enterprise [website](#).
- (4) Section 45 of Supreme Court Resolution 24, 9 July 2019.

The materials contained on this website are for general information purposes only and are subject to the [disclaimer](#).