

Never sign documents that you have not carefully read and which you do not understand.

In this leaflet, we describe the kinds of difficulties consumers face most often when buying goods and services from businesses (entrepreneurs). Firstly, we will generally describe the rules of the financial market, telecommunication services and utilities. We will explain how administrative authorities ensure compliance with consumer protection rules and in which situations they can resolve disputes instead of the courts. You will also learn about the situations in which the Defender (Ombudsman) can help you. In the final part of this leaflet, you will find a list of consumer protection authorities and contacts for some consumer associations.

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Consumer relationships in general

Who is a consumer, who is an entrepreneur (a business), and what are consumer contracts?

A **consumer** is any individual who, outside his or her trade, business or profession, enters into a contract or has other dealings with an entrepreneur (i.e. a business).

An **entrepreneur** (a business) is a person who independently carries out economic activities for profit on the basis of a trade or in a similar manner with the intention to do so consistently.

A **consumer contract** is a contract between a consumer and an entrepreneur (a business).

Who adjudicates in consumer disputes?

Most consumer disputes can be adjudicated by a **court** or an **arbitrator** (if so agreed by the parties). Some cases are instead handled by administrative authorities (e.g. the Czech Telecommunication Office, the Energy Regulatory Office or the Financial Arbitrator).

You may also try to achieve an **out-of-court settlement**. We will explain how to do that later.

Who can advise and help me?

If you need an advice, contact a consumer counselling centre or, if your case is legally complicated, an attorney-at-law who could then represent you in court.

You can search for an attorney on the website of the Czech Bar Association (www.cak.cz).

[An overview of consumer counselling centres in the administrative regions of the Czech Republic](#) is available on the website of the Ministry of Industry and Trade (<https://www.mpo.cz>) in section *Consumer Protection – Information for Consumers*. Some counselling centres are listed at the end of this leaflet.

What if I have a dispute with a foreign-based entrepreneur?

If an entrepreneur is based in an EU Member State, in Norway or in Iceland, you can contact the **European Consumer Centre** (<https://evropskyspotrebitel.cz/en/>). The centre **gives free advice and provides information** concerning cross-border purchases of goods and services, as well as **assistance** with out-of-court settlement of disputes in other countries.

In consumer disputes involving cross-border purchase of goods and services, you can use the **Online Dispute Resolution platform** operated by the European Commission (<https://ec.europa.eu/consumers/odr/main/?event=main.adr.show2>).

If the entrepreneur is based outside the European Union, Norway and Iceland, seek assistance directly from the consumer protection authorities of the relevant country.

How can the Czech Trade Inspection Authority (CTIA) and other public authorities help me?

The CTIA can check whether the entrepreneur adhered to applicable consumer protection rules (verify that it did not use misleading or predatory business practices, failed to adhere to deadlines for resolving complaints, etc.).

If the CTIA finds an unlawful conduct, it can impose a fine on the entrepreneur. However, it cannot resolve your dispute – this means it is not authorised to declare your contract null and void, order the entrepreneur to refund the purchase price and so on.

Other **administrative authorities** involved in consumer protection include e.g. the Czech Telecommunication Office, Czech National Bank, Czech Agriculture and Food Inspection Authority, State Veterinary Administration and the Energy Regulatory Office.

A **list** of these authorities is provided at the end of this leaflet.

What constitutes an unfair commercial practice?

This is a prohibited practice used by an entrepreneur to **influence a consumer** to buy something he or she would not buy otherwise. It can take the form of misleading or predatory commercial practices.

Misleading practices (committed through an act or omission) involve misleading consumers by an entrepreneur. **Predatory practices** harass consumers or limit their ability to make a free choice. Unfair commercial practices are prohibited in **advertising** as well.

Legislation also contains a **list** of practices which are always considered unfair (a “blacklist”). These include, for instance:

a false claim that a product or a service can cure a disease

sending unsolicited packages with

a postal money order, making consumers believe they ordered the package

advertising false prizes to be won

making consumers believe they cannot leave the room during organised “buying trips”, product demonstration events etc.

surreptitious (hidden) advertising

bait advertising (luring customers in by low prices, despite the fact that the entrepreneur cannot supply enough products)

Unfair practices can be investigated and fined by **supervisory authorities** such as the CTIA, trade licensing authorities, CTO, Czech Agriculture and Food Inspection Authority and the State Veterinary Administration.

Is a business required to accept a complaint?

An entrepreneur must **accept a complaint** about a product in its establishment (unless the warranty certificate indicates another place for that purpose) and provide you with a **written certificate** proving that the complaint was received and indicating what solution you are seeking, that is:

supplementation

– when something is missing from the product

repair

– free repair of a defect (including replacements of defective parts)

replacement

– unless the product can be repaired

reasonable discount

– if the product cannot be repaired or replaced, or this cannot be done in a timely manner

withdrawal from contract

– if the product has many defects
– if the product or its part cannot be replaced
– if the product is still defective after repair

If an entrepreneur **fails to accept** a product complaint, **ask it to certify that in writing**. You can then consult an attorney-at-law or a counselling centre about further steps. Additionally, you can ask the Czech Trade Inspection Authority to investigate whether or not the entrepreneur committed an infraction by not accepting your complaint; if the CTI concludes that it did, the entrepreneur will be fined.



What should I do if the entrepreneur does not resolve the complaint?

Entrepreneurs are required to resolve complaints within **30 days**, unless you agreed on a different deadline.

Resolving a complaint means a supplementation, repair, replacement, refund of (a part of) the purchase price (in case of a discount or withdrawal from contract) or a rejection of the complaint. Non-resolution of a complaint **within the deadline** means the entrepreneur has committed an infraction and can be fined by the CTIA. **The CTIA does not investigate whether the complaint was handled correctly** (even in cases of rejection). If you are dissatisfied with the manner in which your complaint was resolved, you can initiate **out-of-court settlement** of the dispute or lodge an action with a **court**.



Doorstep selling, product demonstrations and contracts concluded by telephone. Can I easily withdraw from a concluded contract?

You can withdraw from consumer contracts concluded **outside the entrepreneur's establishment** (place of business) within **14 days since the contract was concluded** (barring certain exceptions). You do not have to state your reasons and the entrepreneur cannot penalise you for this action (e.g. by requiring that you pay a financial penalty). Send a letter of withdrawal from the contract to the relevant address specified in the contract for that purpose. Sometimes it can be difficult to find this address. **If the entrepreneur has failed to provide you with an advice on your possibility to withdraw, the deadline for withdrawal is extended by one year.**



I signed papers presented by an agent offering cheaper energy and I missed the 14-day deadline for withdrawal. What should I do?

If you have not managed to withdraw in time, you can still **terminate** the contract, but you will probably **have to pay a contractual penalty**. You may also try to **revoke the power of attorney** you have given to the agent, which could help you in case the agent has not concluded a contract with the new utilities provider yet. If a new utilities contract has already been signed, **it can be terminated not later than 15 days after deliveries by the new utilities provider have started**. You will find more [information on switching utilities providers](#) on the CTIA website, section *Pro spotřebitele – Aukce energií* (For consumers – Energy auctions, in Czech only).



What is an arbitration clause?

Agreeing to an arbitration clause generally means that any future disputes arising from the given legal relationship will be **adjudicated by an arbitrator** or an arbitration court **instead of a court of law** (or an administrative authority). Since **December 2016**, arbitration clauses **cannot be included** in consumer contracts (barring certain exceptions).



I disagree with an arbitral award. Can I challenge it? Am I in danger of an enforcement procedure?

Yes. You may **lodge a court action within three months** of delivery of the arbitral award. **The court will cancel the arbitral award**, if it concerns a case in which an arbitration agreement cannot be entered into, if the arbitration agreement is invalid for other reasons, or if the arbitral award requires you to provide a performance that the entrepreneur does not seek or is not possible or permissible under Czech laws.

The arbitral award can generally serve as a basis for an enforcement procedure (debt collection). Therefore, if you are petitioning the court to cancel an arbitral award, **you should simultaneously seek a suspension of enforceability of the arbitral award** to prevent an enforcement procedure from commencing before the court decides on your action.

Even if you have not challenged the arbitral award so far and an enforcement procedure is ongoing, you may (under certain conditions) lodge a **petition to discontinue the enforcement procedure**.

In any case, **we recommend that you seek professional advice from an attorney-at-law**.

Can I deal with the dispute otherwise than in court?

In some cases, the law empowers an **administrative authority** to **render decisions** instead of a court.

Subject-matter of the dispute	Whom should you contact?
financial services	→ Financial Arbitrator
electronic communications and postal services	→ Czech Telecommunication Office
electricity, gas, heating	→ Energy Regulatory Office

In other cases, you can make use of **alternative dispute resolution** mechanisms. You can then approach the **Czech Trade Inspection Authority or other** authorised entities:

Subject-matter of the dispute	Whom should you contact?
general consumer disputes	→ Czech Trade Inspection Authority Czech Consumer Association
services provided by attorneys-at-law	→ Czech Bar Association
insurance (except for life insurance and motor vehicle liability insurance)	→ Czech Trade Inspection Authority Office of the Ombudsman at the Czech Association of Insurance Companies

How to initiate out-of-court dispute settlement with the Czech Trade Inspection Authority?

You may file the application orally on record, in writing or using an [online form](#) at www.coi.cz.

File it **not later than a year** from the moment when you first communicated with the entrepreneur about the problem.

In the application, you should state (identify):

- parties to the dispute (yourself and the entrepreneur);
- facts important for assessment of the case (state them fully and comprehensibly);
- the remedy you seek (what you want to happen);
- the date when you first asked the entrepreneur to provide the remedy you now seek;
- date and signature;

and attach relevant documents proving your allegations (i.e. the contract and your correspondence with the entrepreneur).

If you choose not to use the form, the CTIA may ask you to do that. It will also contact you if you need to supplement some evidence.

The dispute should be resolved (ideally by agreement) within **90 days**. In particularly difficult cases, the CTIA may extend this period by further 90 days. During the course of the dispute, the limitation period does not run. You can terminate dispute resolution at any time; filing the application does not mean that you waive your right to go to court.

[You will find more details on out-of-court settlement of disputes](#) at www.coi.cz, section *For Consumers*.

Financial market

Who supervises the protection of consumer rights on the financial market?

The Czech National Bank (CNB)

checks compliance with statutory duties of:

- banks;
- savings and credit co-operatives;
- insurance companies;
- pension funds;
- securities traders;
- currency exchange offices;
- non-banking consumer credit providers, and others.

ensures compliance with:

- prohibition of unfair commercial practices;
- prohibition of consumer discrimination;
- requirements and rules for informing about the prices of services and the manner in which they are set;
- duties specified by the Civil Code for entering into distance agreements on financial services;
- duties in arranging consumer credit.

However, the CNB cannot directly deal with (decide in) consumer-entrepreneur disputes. This power belongs with the courts and, in some cases, the Financial Arbitrator.

The Ministry of Finance oversees compliance with the conditions for provision of state support for construction savings.



Which disputes are adjudicated by the Financial Arbitrator?

The Financial Arbitrator decides in disputes involving:

- **provision of payment service, issuing and exchange of electronic money;**
- offering, providing or arranging **consumer credit** or another kind of credit, loan or a similar financial service;
- management or administration of a **collective investment fund** or offering investment in a collective investment fund or a comparable foreign investment fund;
- offering, providing or procuring **life insurance** and **construction savings;**
- performance of **currency exchange trading;**
- provision of **investment services;** or performance of certain activities under the Investment Companies and Investment Funds Act.

Only a **consumer** may initiate such proceedings. The Financial Arbitrator strives towards an **amicable settlement**. Proceedings are **not subject to any fees**.

You may lodge justified **objections** against the decision (award) of the Financial Arbitrator within **15 days** of its delivery. If you do so in time, such objections have a suspensory effect. You may lodge a **court action** (pursuant to Part V of the Code of Civil Procedure) against the final decision within **2 months** of its delivery.

You can find more information, including [a guide to filing an application](#), on the Financial Arbitrator's website at www.finarbitr.cz.



Who will resolve a dispute involving TV or radio fees?

These fees (as well as rules for waiver and penalties) are governed by the [TV and Radio Fees Act](#). If you fail to pay the fee, Czech Television or Czech Radio will **lodge an action with a court** to decide the case. If the court orders you to pay, you will also have to pay the costs of the proceedings (the judicial fee and the other party's attorney's fee).

More information on TV and radio fees is available at the websites of [Czech Television](#) and [Czech Radio](#).

Electronic communications and postal services



Who will resolve my dispute with a mobile operator, Internet service provider or provider of other electronic communications services?

The **Czech Telecommunication Office (CTO)** decides these disputes instead of a court.

If you disagree with a bill for services or their quality, you have to first **file a complaint with the provider within 2 months** (of the delivery of the bill for services; if such a bill is not issued, then within 2 months of provision of the service or defective provision of service). If you miss the deadline, your rights in this regard expire. The provider will resolve your complaint within 1 month (or 2 months in certain cases). If the provider rejects your complaint, you may file a **petition** with the **CTO** to initiate proceedings on your objection against the manner in which the complaint was resolved **within 1 month** of the delivery of the letter (notice) informing you about the outcome of your complaint.



Can a provider unilaterally increase the price of services?

Yes, it can. However, a notice on a change in the contract must be made public, **at least 1 month in advance**, on a notice board in the provider's establishment and on the provider's website, and the provider must inform you that such a notice has been made.

The provider must **inform** you **about the change in pricing** (and some other modifications of the contract) through the same channel it uses to send you the bill for services; the provider must also **advise** you of your **right to terminate the contract** as of the date when the changes come into effect should you reject the new terms and conditions. You must not be penalised for your decision to terminate the contract.



Czech Post did not deliver a package to me even though I was at home!

If Czech Post did not even attempt to deliver a package to you and the postman simply left a notice in your mailbox that you should pick it up at a post office, you may send a complaint to the **Czech Telecommunication Office**.

Energy (electricity, gas, heat)



What if a utilities company shut off electricity, gas or heating service?

A utilities provider may terminate or suspend deliveries of electricity (or gas or heat) in case of an **unauthorised usage**. This includes cases where you have repeatedly failed to pay the bill, interfered with the metering device (as a result of which the meter does not work, works unreliably or if you have tampered with usage data), or you denied employees of the utilities company access to the metering device despite having received a request to let them in.

If you believe that you did not use energy in an unauthorised manner, but the utilities company has shut off (restricted) service anyway, you can file a complaint with the **Energy Regulatory**

Office (ERO). If it finds out that no unauthorised use occurred, **it can order the utilities company to resume service** (continue delivering energy).

What to do with an unfavourable contract on electricity/gas delivery concluded by telephone or online?

You can **withdraw** from a contract on electricity/gas delivery concluded by telephone, online or outside the energy supplier's establishment **within 14 days** after you concluded it.

If the contract involved switching suppliers, you may **terminate** such a contract without penalty **within 15 days from the commencement of electricity or gas service**. A notice of withdrawal (or termination) only needs to be **send** within said deadline (keep a proof of this).

You will find more information in the [10 Ways to Defend Yourself Against Crooks in the Energy Sector](#) leaflet and the booklet [Defence Against Unfair Commercial Practices](#) on the ERO's website at www.ero.cz, section *For consumers – Consumer's defence in the energy sector – How to deal with door-to-door salesmen?*

Who can decide about my dispute with a utilities provider?

If a complaint is filed by a consumer (or a self-employed individual), the **Energy Regulatory Office** will resolve disputes involving:

- **performing obligations stipulated by a contract** on delivery or distribution of electricity, gas or heat (*it can, for example, order a licenced entity to commence energy service, issue a bill for services, or refund an overpayment on a bill*);
- **determination whether such a legal relationship (contract) started, exists, or terminated, and when.**


What are the roles of the Energy Regulatory Office and the State Energy Inspectorate?

The Energy Regulatory Office oversees the compliance with the Energy Act, Promoted Energy Sources Act, regulated prices in the energy sector and adherence to some rules under the Consumer Protection Act.

The State Energy Inspectorate monitors compliance with the Energy Management Act (including rules for heating and hot water supply, but excluding assignment of costs among users in a building) and regulated prices in renewable electricity generation, co-generation of electricity and heat and secondary energy sources.

Like the other authorities, it may impose a fine and other measures if it identifies a breach of the rules. The ERO has decision-making powers in certain disputes, but the above authorities do not directly interfere in consumers' relationships with utilities providers.

What can the Defender (Ombudsman) help me with?

 **The Defender will check** the procedure of the authorities responsible for consumer protection and/or dispute resolution. When contacting the Defender, please attach your correspondence with the authority in question (a complaint to the authority and its response) or its decision, your appeal and the decision on the appeal, if relevant.

 **The Defender cannot by himself inquire into the entrepreneur's activities.**

Where will I find the Defender's previous findings and opinions?

At www.ochrance.cz, in section *ESO* ([Defender's Opinions Register, available in Czech only](#)).

You can search **by an area of law** – enter *216.6 Správa na úseku podnikání* (public administration of business) or **use full-text search** by entering keywords you are interested in.



List of authorities active in consumer protection

Czech Trade Inspection Authority: www.coi.cz

Contacts for the individual branch inspectorates: www.coi.cz/kontakty-inspektoraty

Help line for consumers: Monday to Friday from 8:00 a.m. to 4:00 p.m., (+420) 222 703 404

municipal trade licensing authorities: www.statnisprava.cz/rstsp/ciselniky.nsf/i/d0056

regional public health stations: www.statnisprava.cz/rstsp/ciselniky.nsf/i/d0035

protection of public health: hygiene and noise regulations

customs offices: www.statnisprava.cz/rstsp/ciselniky.nsf/i/d0248

sale of goods or services violating intellectual property rights

Czech Agriculture and Food Inspection Authority: www.szpi.gov.cz

foodstuffs, agricultural and tobacco products

State Veterinary Administration: www.svscr.cz

foodstuffs of animal origin

State Institute for Drug Control: www.sukl.cz

human medicinal products

Czech Proof House for Arms and Ammunition: www.cuzzs.cz

firearms and ammunition, pyrotechnics

Czech National Bank: www.cnb.cz/cs/dohled-financni-trh/ochrana-spotrebitele

banking services, insurance sector, capital markets

free telephone line: (+420) 800 160 170

Ministry of Finance: www.mfcr.cz

Financial Arbitrator: www.finarbitr.cz

transfer of funds, payment cards, consumer credit etc.

Czech Telecommunication Office: www.ctu.cz

electronic communication and mail

Energy Regulatory Office: www.eru.cz

utilities (electricity, gas, heat)

State Energy Inspectorate: www.cr-sei.cz

energy management

advertising regulations

Council for Radio and Television Broadcasting: www.rrtv.cz (TV/radio advertising);

State Institute for Drug Control: www.sukl.cz (advertisements for human medicinal products);

Ministry of Health: www.mzcr.cz (advertisements for healthcare);

Central Institute for Supervising and Testing in Agriculture: www.ukzuz.cz (advertisements for plant protection products);

Institute for the State Control of Veterinary Biologicals and Medicaments: www.uskvbl.cz (advertisements for veterinary medicinal products);

Office for Personal Data Protection: www.uoou.cz (unsolicited advertising disseminated online);
[regional trade licensing authorities](#) (other cases).

Contact addresses of selected consumer associations

You can find contacts for consumer associations active in the individual administrative regions of the Czech Republic on the website of the Ministry of Industry and Trade www.mpo.cz/cz/ochrana-spotrebitele/informace-pro-spotrebitele/prehled-spotrebitejskych-poraden-podle-kraju--152488/.

A list of selected associations:

Consumer Defence Association: www.asociace-sos.cz

telephone help line: Monday to Friday from 9:00 a.m. to 4:00 p.m., (+420) 542 210 549 and 542 210 778

personal consultations: www.asociace-sos.cz/pro-spotrebitele/kontakty/osobni-poradenstvi

online counselling: www.asociace-sos.cz/elektronicke-poradenstvi

Consumer Defence Association of Moravia and Silesia: www.sos-msk.cz

telephone help line: Monday to Friday from 9:00 a.m. to 4:00 p.m., (+420) 608 722 582

personal consultations: www.sos-msk.cz/poradny

online counselling: www.sos-msk.cz/online-dotazy

e-mail for consumer queries: poradna@sos-msk.cz

Czech Consumer Association: www.konzument.cz

telephone help line: Monday to Friday from 9 a.m. to noon and from 1:00 p.m. to 4:00 p.m., (+420) 261 263 574

online counselling: www.konzument.cz/poradenstvi/jak-resit-spory/vas-podnet/podani.php

e-mail: scs@konzument.cz

dTEST: www.dtest.cz

telephone help line: Monday to Friday from 9 a.m. to 5:00 p.m., (+420) 299 149 009 and 222 767 221

online counselling: www.dtest.cz/spotrebitejska-poradna