
CONSUMER PROTECTION IN CONCLUDING
ELECTRONIC CONTRACTS IN TERMS OF COVID-19
PANDEMIC

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Abstract

The world community is facing changing circumstances as a result of a health crisis that has profound economic, socio-political and legal implications. The process of globalization and modernization has structured the digitalization of society, but the health crisis caused by the Covid-19 pandemic has imposed its most exploited form to date. As a result, many of the social and economic forms of existence of individuals have been reduced to the use of digital media as a means of social functioning. The possibilities provided by digitalization require legal regulation in order to achieve legal certainty and predictability and to enable protection of its users. The paper puts its primary focus on consumer protection in the context of the emerging pandemic conditions in concluding electronic contracts. The paper analyzes the Macedonian legal framework that ensures consumer protection, comparing and determining the degree of harmonization with European Union legislation governing this issue. Pandemic conditions have imposed a new stage in the use of e-commerce and in that direction the paper assesses the intensity of this stage by noting the main features, while evaluating the need for consumer protection in their use of the opportunities offered by e-commerce. The paper comparatively analyzes the national, European and international experiences in this field in order to present the global picture that caused the Covid-19 pandemic without leaving out any country. Synthesizing the legislative solutions and the experiences from the applied practices, the paper gives directions on how to use the positive experiences from the e-commerce and on how the protection of the consumers should take place in changed and intensified digital conditions.

Keywords: Electronic Contracts, Consumer Protection, Covid-19 Pandemic, E-Commerce, Republic of North Macedonia.

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1. Introduction

Consumer protection is of particular importance for the normal course and development of any national economy. Effective consumer protection is an indicator of the degree of concurrency, opportunities for fair market competition and the overall economic climate. (Sinha, 2017, p. 14) The construction of a quality system of consumer protection is the main goal of every country, and especially a developing country such as the Republic of North Macedonia.

The current Covid-19 period, which dictates the socio-economic conditions, has a deep impact in all spheres of human activity, and in that sense it actively affects the consumer category as well. The Covid-19 period, analyzed from the point of view of consumers, first caused the popularization of digital media. It caused limited access to basic goods and services, and put the category of vulnerable consumers in an unenviable position. (Consumers International, 2020) The health and economic well-being of consumers experienced a negative trend, as a result of the unpredictable circumstances caused by the pandemic.

Entering the most exposed period of the digital economy has opened up unlimited opportunities for consumers. Electronic commerce of goods and services in the conditions of Covid-19 was used by consumers in large intervals not limited to online purchases, but also in terms of virtual fulfillment of work tasks and educational purposes. The Internet has become the fastest and most efficient way of information and the only open window for social interaction. (UNCTAD, 2020)

The increased intensity of utilization of information technology achievements and increased electronic commerce require increased commitment to the protection of users' rights. Therefore, if the interest of consumer protection in the pre-Covid-19 period was at a satisfactory level, currently the focus on the consumer must be doubled, bearing in mind the fact that a large part of consumer activities were reduced to electronic commerce.

Our primary focus is providing an overview of the legal possibilities that go in the direction of protecting the Macedonian consumer, compared to those of the European Union. However, before approaching that analysis, it is necessary to refer to the situation with electronic commerce in the country and the affinities of the Macedonian consumer in the conditions of the Covid-19 pandemic.

2. The Use of e-Commerce in the Republic of North Macedonia in the Conditions of Covid-19 pandemic

The last decades have been characterized by an exceptional development of information and communication technology that has greatly changed the economic activities of businesses and consumers. As a result of such structural changes in economic activities, a new and popular category has developed - electronic commerce (e-commerce). The development of e-commerce is known to take advantage of opportunities that contribute to facilitating economic development and growth based on new network technologies, primarily through computers, mobile phones and connected devices that promote the well-being of users. (UNCTAD, 2017, p. 2)

The acceleration of digitization and the ever-increasing reliance on digital technologies in everyday life have become particularly noticeable in the pandemic period, where there has been an increased affirmation of information and communication technology in global trade. Digitization in principle has had a great impact in the world of commerce, through a growing increase in the sale of goods and services, and this is especially significant during the period of the Covid-19 pandemic due to the imposed restrictions on movement. All technological revolutions create enormous benefits, but these benefits require active regulation through appropriate policies and legal acts at the national and international level in order to ensure that countries have the necessary capacities to take advantage of the benefits of technological advances. (UNCTAD, 2022, p. 10)

The regulation of e-commerce is a challenge at the international level, but it is also a challenge for national legislators who strive to achieve a high level of harmonization in this area. E-commerce in the Republic of North Macedonia is regulated by a special law, i.e. the Law on Electronic Commerce (LEC). The LEC was adopted in 2007 and this Law was developed according to international standards, that is, in compliance with the UNICITRAL Model Law and according to European standards, that is, EU Directive 2000/13. (Gjorgjioska, 2020, p. 57) The Law has undergone four amendments so far, of which the last amendment was in 2020. Although 2020 is a pandemic year, the amendments and additions were not related to the newly emerging Covid-19 circumstances, but rather to comply with the Law on Misdemeanors and the amount of the misdemeanors was changed. (Angelovska & Angelovska, 2020, p. 45)

The trend of increased use of e-commerce, i.e. the realization of business transactions via Internet during the period of the Covid-19 pandemic, is also characteristic for the Republic of North Macedonia. If in the past e-commerce was mostly limited to buying products outside the country's borders, buying tickets (airline, sports or concerts) as well as hotel reservations, the current Covid 19 period has imposed conditions in which the online purchase of necessary items has become widespread. This is primarily a result of the fact that the pandemic period is a period of isolation and social distancing. That is why Macedonian companies started introducing new practices in their operations in order to satisfy the needs of consumers and the market by creating websites intended for online shopping. (Pterushevska *et al.*, 2022, p. 8)

The analysis of the use of e-commerce in the Republic of North Macedonia implies an assessment of the prerequisites for its development. As prerequisites for the development of electronic commerce, in addition to the undoubted fact that there must be legal regulation, are access to information and communication technology, the existence of a system for online shopping and developed delivery. Information and communication technology is the first prerequisite that enables digitization. Access to the Internet by consumers and businesses is important for the development of e-commerce. Although these technologies are involved everywhere, the speed of implementation is different. (Angelovska & Angelovska, 2018, p. 21) In 2019, 82% of households in the Republic of North Macedonia had access to the internet. This positions the country ahead of the rest of the Balkan countries. (Angelovska & Angelovska,

2020, p. 55) The second prerequisite for the development of electronic commerce is the functioning of a payment system that enables the realization of the transaction through the acceptance of electronic payment. In the Republic of North Macedonia, an account-based payment system is mostly used for online transactions that include online payments. However, outdated forms such as payment with payment slips or during delivery, which do not represent electronic payments, still exist. (Angelovska & Angelovska, 2018, p. 29) A key prerequisite for the development of e-commerce is the provision of timely delivery to the final consumer. According to the Register of Postal Service Providers of the Postal Agency, there are 45 postal service providers. (Post Agency, 2022)

The quantitative analysis of the use of e-commerce in the Republic of North Macedonia can be performed by reviewing the activity of payment cards in virtual (internet) stores. According to the Annual Payment Information of the National Bank of the Republic of North Macedonia for 2021, as a result of the change in the payment habits and culture of citizens and companies, the use of payment cards at domestic virtual (internet) points of sale has recorded a high annual growth of 32.4%. (National Bank of North Macedonia, 2022, p. 8) While in 2020, a growth of 36.5% compared to 2019 was recorded. (Angelovska & Angelovska, 2021, p. 17) What distinguishes the Covid-19 period is that there is an increase in the use of domestic cards when making purchases in domestic online stores. During this period, a change was made in the structure of online transactions in favor of domestic virtual stores. 74% of the total value of online transactions in 2020 was realized towards domestic internet stores. The pandemic period (2020-2021) caused a continuous growth in the value of realized transactions to domestic online stores, a growth of 160% in the second quarter of 2020 compared to the same period in 2019 (Angelovska & Angelovska, 2021, p. 19) and a growth of 77% in the first half of 2021 compared to the first half of 2020. (Angelovska & Angelovska, 2021, p. 31)

3. Characteristics of the Macedonian Consumer and the Impact of the Covid-19 Pandemic

According to the definition of the Proposal-Law on Consumer Protection, "consumer" means any natural person who acquires goods or uses services for purposes that do not fall within the scope of his trade, business, craft or professional activity. The definition is in accordance with Council Directive 93/13/EEC of 5 April 1993 on unfair terms in consumer contracts. The definition also does not significantly differ from the definition of consumers from the current Law on Consumer Protection (LCP), although in the basic text of the law from 2004 until 2007, when it was amended, the definition of consumers included legal entities. In the Proposal-Law, for the first time, "consumer contract" is defined as a contractual consumer relationship concluded between a consumer and a merchant.

E-commerce, distance buying and selling using the Internet, especially during Covid-19, are becoming more and more relevant in our country. According to the data of Eurostat and the State Statistical Office presented by the Association for Electronic Commerce of Macedonia (AETM) in its analysis of the state of e-

commerce in the country, online commerce is dominated by individuals. Through the analysis of e-commerce data in the period before Covid-19 and during Covid-19, certain changes in the use of e-commerce by Macedonian buyers can be observed.

Thus, in the total transactions in 2017 made through e-commerce, natural persons mostly participate with as much as 79% of the total transactions. In the first quarter of 2018, 316,499 people aged 15-74 shopped online, of which 67.6% made one to two orders online for private purposes, and only 3.9% of them made orders more than 10 times. 59.8% of online orders have a value of up to 50 euros, and only 1.1% of online purchases have an estimated value of over 500 euros. Also, a maximum of 54.9% of the products or services ordered via the Internet refer to clothing and sports equipment. (State Statistical Office, 2019, p. 49)

In the first quarter of 2019, 367,385 people aged 15-74 shopped online, of which 64.7% made 1-2 orders during this period, while 26.9% made 3-5 orders, 8.4% made 6 or more orders. Most often (35.8% of orders) consumers bought clothes and sports equipment online, and 54.7% of online purchases were worth up to 50 euros, and 32% of online purchases were worth 50 to 99 euros. (State Statistical Office, 2020, p. 49)

In 2020, as many as 348,551 people aged 15 to 74 shopped online in the first quarter of 2020, of which 46% made 1-2 orders during this period, while 12.7% made 3-5 orders, 5% made 6 or more orders. Most often (36.4% of orders) consumers bought clothes and sports equipment online, and 32.6% of online purchases were worth up to 50 euros, and 19.1% of online purchases were worth 50 to 100 euros. (State Statistical Office, 2021, p. 57)

When comparing the characteristics of the Macedonian consumer in relation to consumers from the European Union (EU) in terms of the frequency of online purchases, it can be noted that Macedonian consumers are in first place for the least frequent online shopping, while in second place for the lowest values of orders from online shopping. (Angelovska & Angelovska, 2021, p. 52-53)

From the statistical data from 2017 until 2021, it can be noted that the number of online purchases is increasing year by year. If in 2006 about 2% of the population ordered or bought a product or service online, in 2018 this number is over 30%. (State Statistical Office, 2019, p. 51) In North Macedonia, according to the data for 2021, over 14 million e-transactions were made, there are about 1700 online stores and the value of e-transactions is over 437 million euros. (Macedonian Association of e-commerce, 2021) Buyers who made 1 to 2 orders have the largest share of online purchases according to frequency, but this trend is declining, and on the other hand, the number of buyers who made more than 2 orders is increasing. In terms of the ordered goods, there is no big change, most of the time the Macedonian consumer buys clothes and sports equipment, and the orders are usually worth up to 50 euros.

Based on that, the conclusion can be drawn that the average Macedonian consumer usually buys clothes and sports equipment through e-commerce (once or twice in three months), with most of the orders having a value of up to 50 euros.

4. Legislative Framework for Consumer Protection in Concluding Electronic Contracts of the European Union and the Degree of Harmonization of the Macedonian Legislation

The legal regime of the EU regarding the regulation of consumer protection in conclusion of contracts that enter the field of e-commerce is composed of a wide range of directives and various national legal instruments. (Sinha, 2017, p. 27) However, in general two main directives can be identified which are the backbone of the regulation of electronic contracts and the protection of consumers. These are Directive 2011/83/EU of the European Parliament and of the Council of 25 October 2011 on consumer rights and Directive 2000/31/EC of the European Parliament and of the Council of 8 June 2000 on certain legal aspects of information society services, in particular electronic commerce, in the Internal Market known as the Directive on electronic commerce. In 2019, Directive 2011/83/EU on consumer rights was amended by 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 modernization of Union consumer protection rules.

The main objective of Directive 2011/83/EU is to increase consumer protection by harmonizing several key aspects of national laws regarding contracts between consumers and traders and to encourage trade between the member states of the EU, especially in situations where consumers buy online. The changes made by Directive (EU) 2019/2161 increase EU consumer protection in precisely defined areas such as online shopping, transparency in pricing and ranking of online offers and consumer rights when using "free" online services.

Directive 2011/83/EU on consumer rights is specifically aimed at protecting consumers in their interaction with traders. In this way, it allows consumers to buy at a distance, i.e. to conclude contracts at a distance. According to Directive 2011/83/EU "distance contract" means any contract concluded between the trader and the consumer under an organized distance sales or service-provision scheme without the simultaneous physical presence of the trader and the consumer, with the exclusive use of one or more means of distance communication up to and including the time at which the contract is concluded. (Directive 2011/83/EU, art. 2, para. 1, p.7) In connection with distance contracts in this Directive, it is possible for consumers to withdraw from the distance contract within 14 days from the receipt of the goods or from the conclusion in the existence of the service contract, without any explanation or additional costs. In case consumers are not aware of their rights, the period for possible withdrawal is extended by 12 months. (Directive 2011/83/EU, art. 9)

The second relevant directive in the area of consumer protection in concluding electronic contracts is the Directive on electronic commerce. This directive has a wider scope, as it also covers contracts concluded between traders and those between traders and consumers. (Riefa, 2009, p. 4) It ensures that there is a possibility that contracts can be concluded electronically and defines the minimum standards needed to obtain clear information about the transactions carried out. In that direction, the Directive guarantees that each EU member state

gives electronic contracts an equivalent legal status as usual paper contract. These contracts have additional terms that insist on clearly and comprehensibly prescribing the technical steps that consumers must follow to conclude the contract, specifying whether or not the contract is archived by the service provider and whether consumers can access the contract at a later stage, the way consumers can identify and correct errors before placing their order and the languages in which the contract can be signed. (Directive 2000/31/EU, art. 10) Consumers must in any case be able to save and print the contract and general conditions.

The perception of the European Commission is relevant in the evaluation of the degree of compliance of the Macedonian legislation with the European one from the point of view of consumer protection. According to the latest North Macedonia 2021 Report, in the area of consumer protection, North Macedonia remains moderately prepared. Of particular concern is the assessment that no progress was made in the reporting period.

For the next year, it is recommended harmonizing the legal framework with the EU law on consumer protection, especially in relation to the LCP, and to strengthening the operational structures that serve to protect consumers. What the European Commission notes in detail is the lack of progress in the adoption of the LCP and the harmonization of national product safety rules with EU law. In addition, further development of the web platform that provides consumer protection information is required. Critic point is that mediation remains expensive and difficult for consumers to access. Finally, the Commission realizes that additional efforts are needed to define the guidelines and procedure for consumer complaints and means of compensation. (EU, European Commission, 2021, p. 76)

5. The situation in the Republic of North Macedonia – legislative and implementation aspects

The legal framework of consumer protection in concluding contracts electronically, similar to the European legislative framework, is based on two basic laws, the LCP and the LEC. Both laws have been amended and supplemented several times over the years, but none of them were subject to amendments and additions that would be directly related to the status and condition of consumers during the pandemic caused by Covid-19.

Generally analyzed, consumer protection during the conclusion of electronic contracts should take place in three phases, that is, the phase of pre-purchase, purchase and post-purchase. The pre-purchase phase is characterized by the existence of information asymmetry. This is especially pronounced in the field of e-commerce, due to the lack of timely access of consumers as well as the very nature of the Internet circumstances. From this point of view, consumers are a vulnerable category and are easily exposed to wrong and fraudulent behavior. (Fibrianti, 2017, p. 68) Accurate and relevant information about goods and services should always be available to them when engaging in e-commerce activities. The purchase phase exposes consumers to new challenges, such as unfair contract terms, online payment security, and protection of personal data and privacy. The third phase, the post-purchase phase, diagnoses potential hazards

such as the possibility of returning the goods and the responsibility for refunds when the goods are not delivered, or are delivered in an unsatisfactory condition, or are materially different from the ordered goods. Often at this stage, consumers may have difficulty contacting suppliers or getting in touch with merchants. For the protection of online consumers in the post-purchase phase, the right of withdrawal is particularly important, as well as the limitation of the responsibility of consumers in the digital market. (UNCTAD, 2017, p. 5-10)

The Macedonian legislative framework in the LEC has defined the term consumer and the term contract in electronic form. According to the glossary of this Law, a consumer is any natural person who uses information society services for purposes outside of his commercial activity or profession. Whereas contracts in electronic form are contracts that legal or natural persons, in whole or in part, conclude, send, receive, terminate, cancel, access and display electronically, using electronic, optical or similar means, including, but not limited to transmission over the Internet. (LEC, 2007 & rev. 2020, art. 1, para. 1) The general provision is that contracts can be concluded electronically, i.e. in electronic form. As a result of this provision the offer and the acceptance of the offer can also be realized in this way. The validity of a contract concluded in electronic form can never be questioned due to the fact that it was made by electronic message. Additionally, when a person's signature is required for the validity and conclusion of the contract, this condition is considered fulfilled if the contract is signed with an electronic signature in accordance with the regulations governing the electronic signature. However, the application of contracts concluded in electronic form is excluded for legally taxatively enumerated contracts. (LEC, 2007 & rev. 2020, art. 10) Contracts concluded electronically are subject to subsidiary application of the Law on Obligation Relations, which gives it the role of *lex generalis* in relation to this type of contract.

The LEC clearly defines the amount of information that should be provided for the conclusion of the contract. In this way, the obligation from the point of view of the consumer to reduce the asymmetry in information in the pre-purchase phase is satisfied. The information society service provider (merchant) is obliged to provide the recipient of the service (consumer), before concluding a contract, in a clear, understandable and unambiguous way, with information about: a) the various technical procedures that must be followed in order to conclude the contract, b) the content of the contract, c) the general operating conditions if they are an integral part of the contract, d) whether the concluded contract will be archived by the service provider and whether it will be available, e) the technical means for recognizing and correcting wrongly entered data before placing the order and f) the languages offered for concluding a contract. The provisions contained in the contracts in electronic form concluded by the service providers of the information society must be made available by the providers (traders) to the users of the services (consumers) in a way that allows their storage and reproduction. (LEC, 2007 & rev. 2020, art. 12, para. 1, 3) This provision is in full compliance with the conditions provided in the EU legislation.

The position of consumers when placing orders is also legally regulated. The recipient of the service (consumer) when placing an order electronically, is obliged to request the service provider (merchant) to deliver a confirmation of

receipt of the order to the recipient with a separate electronic message without delay and electronically. On the other hand, an obligation is introduced for the service provider (merchant) to make available to the recipient of the services (consumer) appropriate, efficient and accessible technical means that enable him to recognize and correct erroneously entered data before making the the order. The moment when the order and the confirmation of receipt are considered received is the moment when they are available to the parties to whom they are addressed. (LEC, 2007 & rev. 2020, art. 13) The second important moment for the contract in electronic form is the moment when it is considered concluded. It is legally determined that this is the moment when the offerer (merchant) will receive the electronic message containing the statement of the recipient (consumer) that he/she accepts the content of the contract. The offer and the acceptance of the offer are considered received when they are available to the parties to whom they are addressed. (LEC, 2007 & rev. 2020, art. 14)

From a consumer point of view, the ways in which commercial and unsolicited commercial communication takes place in the field of e-commerce are important. These types of communication with e-commerce users, i.e. with consumers, are subject to regulation by the LEC. In the case of commercial communication, the service provider (merchant) is obliged to ensure that the data from the commercial communication complies with at least three legally defined conditions. Firstly, it is insisted that the commercial communication can be clearly identified as such at the moment when the user (consumer) receives it, secondly, that the natural or legal person on whose behalf the commercial communication is made can be clearly identified and thirdly, any promotional offer from the commercial communication (including discounts and gifts), can be clearly identified as such and the conditions that need to be met for making an offer from the commercial communication are easily accessible and clearly and unambiguously presented. (LEC, 2007 & rev. 2020, art. 8) In the case of unsolicited commercial communication, the use of e-mail for the purpose of delivering unsolicited commercial communication is allowed only with prior acceptance by the user (consumer) to whom that type of communication is directed. (LEC, 2007 & rev. 2020, art. 9)

The second legislative act that regulates the research area of this paper is the LCP. According to this Law, a consumer is any natural person who buys products or uses services for immediate own consumption in the merchant's business premises, outside the business premises as well as with distance contracts for purposes that do not fall within the scope of his trade, business, craft or professional occupation. Hence, bearing in mind that the focus is placed on consumer protection in concluding electronic contracts, the need to define the broader concept, i.e. the concept of a distance contract, which is used by the LCP, is imposed. According to this Law, a distance contract is any contract concluded between the trader and the consumer within the framework of an organized scheme for the sale or provision of services at a distance without the physical and simultaneous presence of the trader and the consumer, through the exclusive use of one or more means of distance communication until the conclusion of the contract, including the moment of conclusion of the contract. (LCP, 2004 & rev.

2018, art. 4, para. 1) From the point of view of e-commerce, distance contracts are the relevant instruments that cover electronic trading by consumers.

Before concluding the distance contract, the most important basic component is overcoming the asymmetry in information. That is why the LCP pays attention to the right to inform consumers by introducing an obligation for traders. Before the consumer commits to a distance contract, the trader should provide the consumer with the following information in a clear and comprehensible manner: a) the main characteristics of the goods or services; b) the identity of the merchant, i.e. its trade name; c) the registered office of the trader and its telephone number, fax and electronic address, where possible, to enable the consumer to quickly contact the trader and communicate effectively with him/her and, if applicable, the registered office and the identity of the trader in whose name he/she acts; d) if there is a different address from the stated head office, the geographical address of the head office of the trader, where the consumer can send any complaints and, if applicable, that of the trader on whose behalf he/she is acting; e) the total price of the goods or services including taxes or if the nature of the goods or services is such that it is impossible to reasonably and in advance calculate the price, the method of price calculation and, if applicable, any additional transport, delivery or postal costs and all other costs or where those costs cannot reasonably be calculated in advance, the fact that these additional costs can be paid; f) the cost of using the means of distance communication for concluding the contract when such cost is calculated on a basis other than the base rate; g) the methods of payment, delivery and execution, the date by which the merchant undertakes to deliver the goods or provide a service and, if applicable, the procedure that the merchant applies to resolve complaints; h) in case there is a right of withdrawal, the conditions, deadlines and procedures for exercising that right are in accordance with the withdrawal form; i) if applicable, the information that the consumer should bear the cost of returning the goods in case of withdrawal and in case of distance contracts if the goods by their nature cannot normally be returned by post; j) if the consumer exercises the right of withdrawal after submitting the request, he/she is responsible for paying the consumer reasonable costs; k) if no right of withdrawal is provided, the information that the consumer will not benefit from the right of withdrawal or, if applicable, the circumstances under which the consumer loses the right of withdrawal; l) a reminder that there is a legal guarantee for the conformity of the goods; m) if applicable, the existence and conditions of after-sales assistance to the consumer, after-sales services and trade guarantees and n) existence of relevant codes of conduct. (LCP, 2004 & rev. 2018, art. 86)

The second important component in consumer protection to which the LCP pays attention is the right of withdrawal. This right of withdrawal is part of the protection of consumers in concluding electronic contracts in the post-purchase phase. The right of withdrawal implies that the consumer has a period of 14 days to withdraw from a distance contract without giving any reason and without incurring costs, beyond the legally stipulated limits. It should be emphasized here that there are statutory exceptions to this right. Withdrawal from a distance contract is carried out by the consumer by filling in a prescribed form. The right of withdrawal expires after 14 days, in the case of service contracts,

from the day the contract is concluded, and in the case of sales contracts, from the day the consumer physically acquires the goods. (LCP, 2004 & rev. 2018, art. 89, para. 1, 2, 4) If the trader's obligation to provide the consumer with the information regarding the right of withdrawal is not respected, the withdrawal period expires 12 months after the end of the initial withdrawal period. In the case that the trader provides the consumer with the necessary information within 12 months, the withdrawal period expires 14 days after the day on which the consumer receives the information. (LCP, 2004 & rev. 2018, art. 90) If the consumer approaches exercising the right to withdraw from the contract, he/she informs the trader of his decision before the expiry of the withdrawal period. The trader may offer the consumer an electronic option to exercise the right of withdrawal. In that case, the trader immediately informs the consumer about the confirmation of receipt of the withdrawal. In any case, the burden of proof regarding the exercise of the right is on the consumer. (LCP, 2004 & rev. 2018, art. 91, para. 1, 3, 4) Exercising the right of withdrawal ends the obligations of the parties to perform the distance contract or conclude a distance contract in cases where an offer is made by the consumer. (LCP, 2004 & rev. 2018, art. 92)

In the Republic of North Macedonia, electronic commerce, buying and selling at a distance using the Internet, are becoming more and more relevant, especially in the conditions of the global pandemic, when movement is restricted by introducing measures aimed at protecting the health of the population. (Petrushevska *et al.*, 2022, p. 11) This fact imposes an increasingly intense need for an increased focus on consumer protection in this area. In the field of consumer protection in the country, the Consumers Organization of Macedonia, established as a citizens' association, is particularly active. The need for consumer protection during the pandemic period (2020-2021) can be seen from the number of consultations that this organization has carried out.

Table 1. Total number of consultations and methods of their realization

Year	Total consultations	Method of realization of counseling				
		Telephone	E-mail	Personal counseling	Facebook profile	Regular mail
2020	2390	65%	26%	6%	2%	1%
2021	2572	58%	31%	7%	3%	1%

The activity of the Consumers Organization of Macedonia during the period of the Covid-19 pandemic is distinguished by the realization of a significant number of consultations. This number of counseling shows an increase between the two research years. The most common medium used for counseling in both years is the telephone, and the least used is the postal method. The Organization has made an analysis by category that diagnoses a large number of complaints in the area of online shopping during the pandemic period. The increased number of online trading, which is a consequence of the new conditions with the Covid-19 pandemic, has led to an increased number of deceived buyers who buy through online stores on social networks, mostly Facebook and Instagram. Consumers are often deceived through deceptive advertising by fake

sellers when they buy products through such profiles, especially when these sellers send them a low-quality, damaged or product different from the one ordered, when they send them a product only with a consignment note, without issuing them a fiscal bill/invoice, due to which consumers do not have the opportunity to return or replace the products. (Consumers Organization of Macedonia, 2020, p. 5; Consumers Organization of Macedonia, 2021, p. 8-9)

The State Market Inspectorate, which is a body within the Ministry of Economy with the capacity of a legal entity, according to the provisions of both the LEC and the LCP, is an authorized body for conducting inspections. Therefore, in this research, the activity of the State Market Inspectorate in relation to submitted reports and petitions by consumers is taken as an indicator of the degree of consumer protection in the pandemic period (2020-2021).

Table 2. Number of reports and petitions submitted to the State Market Inspectorate

			Number of submitted reports and petitions	
			2020	2021*
Law on Consumer Protection		738	665	
Law on Electronic Commerce		0	0	

* the data for 2021 refer only to the 2nd half of the year (01.07.2021-31.12.2021)

The number of consumers who use electronic commerce, especially during the pandemic period, shows an upward trend at the national level, but the same is not reflected in the number of reports submitted on this basis to the State Market Inspectorate. This trend is not only characteristic of the period 2020-2021, it is noticeable that no application was submitted either in 2018 or 2019. (Institute for Strategic Research and Education, 2020, p. 82) The absence of such data indicates that there is a possibility that consumers are not familiar with this mechanism of protection of rights. However, the general conclusion is that there are a large number of reports and petitions related to the implementation of the LCP, which indicates that consumers are increasingly using this protection mechanism. The State Market Inspectorate, within the framework of its activities, educates the perpetrators of offenses. In that direction, acting according to the LCP, the inspectorate carried out 281 educations in 2020, and 189 educations in 2021. (State Market Inspectorate, 2021a, p. 15; State Market Inspectorate, 2021b, p. 12; State Market Inspectorate0, 2022, p. 13)

6. Conclusion

Digital technology is developing faster every day, providing new opportunities for consumers and access to new services. The rapid use of e-commerce during the Covid-19 period is the result of new circumstances, which contributed to changes in the normal course of life activities. Limiting the movement of people, insisting on social distance only imposed the need for a

digital society, where consumer habits were also transferred to the digital market. Digital infrastructure for people has never been more critical to the functioning of the economy. The Covid-19 pandemic exposed the shortcomings and the level of development of the digital society, while imposing the need for accelerated development and resistance to future shocks in order to increase the coverage of e-commerce, digital identification, electronic/mobile banking and mobile health services. A concerted and coordinated effort is mandatory to avoid marginalization of disadvantaged consumer groups. At the same time, reliable steps are needed that will guarantee accessible, high-quality and safe internet and that the rules for operating the digital market protect consumers equally as when they perform physical activities.

It is essential to have the appropriate legislation in place to address the challenges of consumer protection in e-commerce. Therefore, the Macedonian legislator is recommended to adopt a new LCP that will be fully compliant with the latest European directives and practices in this area. In that way, the noted remark from the European Commission in terms of consumer protection would be eliminated. Of particular importance for the development and popularization of protection is the construction of a relevant digital media that will provide relevant information and statistics regarding the institutional treatment of consumers and the efforts of the civil sector in their protection. Activities aimed at educating consumers in concluding electronic contracts is needed in Macedonian society. This type of education should not be limited to raising consumer awareness of their rights and obligations, but should focus on preventing harmful practices such as online fraud. Therefore, it is necessary to develop appropriate strategies for educating Macedonian consumers in these areas. This would achieve greater consumer confidence in digital markets, which is the starting point for continued growth of e-commerce. Considering the new pandemic conditions, consumer trust in the digital society is more important than ever. This trust cannot be achieved solely by providing legal solutions. Effective law enforcement is a key element in protecting consumers from harmful and abusive practices in the digital marketplace. Dealing with consumer issues in e-commerce is more complex due to the absence of a physical presence. The steps and measures related to e-commerce that are taken to protect consumers by Macedonian institutions should include a wider range of law enforcement activities, such as research studies, educational programs, public opinion polls, workshops and Internet observatories.

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