PRESIDENTIAL PALACE

Ref. No.: 30.02.005.002.116

Mrs Annita Demetriou
President of the House of Representatives
House of Representatives
Nicosia

Exercising my powers under Article 51.1 of the Constitution of the Republic, I refer back to the House of Representatives for reconsideration the Law entitled:

"The Consumer Protection (Amending) (No. 3) Law of 2026",

which was passed by the House of Representatives on 26 March 2026 and communicated to my Office on 31 March 2026 for promulgation by publication in the Official Gazette of the Republic, pursuant to Article 52 of the Constitution of the Republic.

Grounds for the Referral

By means of the referred Law, the proviso of subsection (1) of Article 75 of the Consumer Protection Laws of 2021 to (No. 2) of 2026 (hereinafter "the principal Law") is amended.

The existing provision states that:

"Provided that any contracts concluded prior to the entry into force of the repealed Laws, pursuant to the provisions of Article 74, shall not be examined on the basis of the provisions of the present Law."

More specifically, the amendment removes the word **"not"**, so that the provisions of the principal Law now apply to the examination of contracts concluded before the entry into force of the repealed Laws under Article 74.

Thus, subsection (1) of Article 75 is reformulated as follows:

"75.-(1) Subject to the provisions of Article 10 of the Interpretation Law, any rights and obligations arising from the present Law shall also apply in relation to contracts concluded and/or terminated prior to the entry into force of this Law:
Provided that any contracts concluded prior to the entry into force of the repealed Laws pursuant to Article 74 shall be examined on the basis of the provisions of the present Law."

It is noted that the Consumer Protection Law, which entered into force on 12 May 2021, constitutes a harmonising law implementing European Union Directives and applying EU Regulations, as referenced in its preamble.

This Law repealed, through Article 74, and re-enacted in consolidated form, the following Laws:

1. The Unfair Commercial Practices Law (No. 103(I)/2007)
2. The Misleading and Comparative Advertising Control Law (No. 92(I)/2000)
3. The Unfair Terms in Consumer Contracts Law (No. 93(I)/1996)
4. The Consumer Rights Law (No. 133(I)/2013)
5. The Indication of Sale Price and Unit Price Law (No. 112(I)/2000)

6. The Sale of Consumer Goods and Associated Guarantees Law (No. 7(I)/2000)
7. The Sale of Goods at Discount Prices Law (No. 34/1990)

These Laws largely transposed EU Directives into national law.

Legal Assessment

The referred Law extends the protection afforded by the principal Law to contracts concluded before the entry into force of the repealed Laws. However, this extension is **not required by any binding EU act**.

It follows that:

- The Law introduces **retroactivity**, affecting vested contractual rights from the time they arose.
- It allows for **retroactive imposition of sanctions** and claims for remedies.

Under Part VIII of the principal Law, authorities are empowered to investigate infringements and impose administrative sanctions, while judicial remedies and criminal liability are also stipulated (Parts IX and X).

Furthermore, under Article 63, courts may grant remedies to compensate consumers for damage suffered.

Constitutional Concerns

This retroactive interference:

- Falls **outside the permissible scope of Article 26** of the Constitution.
- Conflicts with the **freedom of contract**, which includes the right to determine contractual content freely.

There is also **no evidence** that such intervention is:

- Necessary
- Appropriate
- Proportionate

for preventing unfair exploitation of economic power.

Additional Issues

The mere deletion of the word “not”:

- Does **not provide clear or sufficient regulation**.
- Creates **ambiguity** as to its scope.
- Leads to **legal uncertainty**, particularly regarding which provisions apply retroactively.

There are also **potential compatibility issues with EU law**, as interpreted by the case law of the Court of Justice of the European Union.

Conclusion

In light of the above, I recommend that the House of Representatives **does not insist on its decision** and accepts the referral.

The competent Parliamentary Committee on Energy, Commerce, Industry and Tourism is requested to hear:

- The Attorney General of the Republic
- The Minister of Energy, Commerce and Industry

in relation to this referral.

Nikos Christodoulides