

New rules on the supply of digital content and digital services in Cyprus

New legislation in Cyprus sets out rules concerning contracts for the supply of digital content or digital services. These rules include requirements for conformity with the contract for the supply of digital content or services and remedies available for non-conformity or failure to supply. The new rules result from the transposition of Directive (EU) 2019/770 on certain aspects concerning contracts for the supply of digital content and digital services into Cyprus law.

Cyprus law applies to any contract where a trader supplies digital content or digital services to the consumer for a price. It also applies when the consumer does not pay a price but provides personal data to the trader (unless personal data provided is only processed for the purpose of supplying the digital content or digital service or for the trader to comply with legal requirements).

Digital content includes computer programmes and mobile applications, as well as video and audio files in digital form. Digital services include, for instance, cloud computing services and social media.

Excluded from the ambit of the new legislation are goods with digital elements, Internet access; texting (such as SMS) unless it is number-independent, healthcare, gambling, financial services, open-source software, digital content as part of a performance or event and digital content provided by public sector bodies.

Amongst other rules laid down by Cyprus law, digital content and digital services must meet certain fitness requirements corresponding to features such as functionality, compatibility, interoperability, as required by the contract. Digital content and digital services must also be fit for the purpose agreed as part of the contract for their provision, be updated as stipulated in the contract and have the quality and performance features that the consumer could reasonably expect.

Mandatory information requirements apply to traders of digital content and digital services, who must ensure that the consumer is informed of and supplied with updates, including security updates, necessary to keep the content or service in conformity.

The trader can become liable to the consumer for failure to supply the digital content or digital service, lack of conformity of the content or service that exists at the time of supply and becomes apparent within a minimum of two years. Different liability rules apply when the digital content or digital service is supplied continuously. In cases where the consumer is entitled to terminate the contract, the trader must fully reimburse the consumer, except for periods when the continuously supplied digital content or digital service was in conformity.

The new rules may require updates to the terms and conditions of providers of digital content and digital services, including apps, movies and music, SaaS and social media, when these are provided to Cypriot consumers.

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