E-Commerce is making steady progress in the South African retail environment.

It is, however, important to remember that when a purchase is made or a service is ordered online, that you are entering into a legal agreement. Therefore, an online business should be run like any other brick-and-mortar business. All business related transactions should be founded upon comprehensive agreements in order to circumvent day to day risks.

While it is still a developing legal area, there are numerous laws which govern E-Commerce in South Africa. Knowing the basics and ensuring compliance with same, ensures that your online business is built on a solid legal foundation.

The primary law that affects all consumers in South Africa is the Consumer Protection Act (CPA.) The CPA applies to all consumer transactions including online purchases of products and services.

Additional protection for online consumers comes in the form of the Electronic Communications and Transactions Act (ECTA.) One of the many objects of ECTA is to regulate electronic communications and transactions.

Section 43 of ECTA highlights important information which a supplier must inform the consumer of. These are things such as:-

- The time period within which the goods will be dispatched/delivered.
- The return, refund and exchange policy of the particular supplier.
- The terms of the agreement.
- A sufficient description of the main characteristics of the goods.
- The full price of the goods, including transport costs, taxes and any other and all costs.
  (For the complete list please refer to the Act or contact our offices)

As an online business, specific precautions needs to be taken to ensure that all it's consumers information is protected. A balance is needed between the data obtained by the business and the consumers rights relating to privacy. The Protection of Personal Information Act (POPI) regulates this.

Preventing legal issues is far cheaper and easier than curing them when the litigation starts. As a modern legal company we understand the intricacies and relevance of online businesses and are therefore able to minimise your legal risks in the day-to-day running of your business.

Contact us should you require assistance with getting your ‘legal ducks’ in a row.

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