Ad Hoc Expert Meeting on Consumer Protection: The interface between competition and consumer policies
Geneva, 12 to 13 July 2012

Session 5: Discussion on the need to revise the UN Guidelines for Consumer Protection

Presentation
by Indraní Thuraisingham, Consumer International

The views expressed are those of the author and do not necessarily reflect the views of UNCTAD.
The need to revise the UN Guidelines for Consumer Protection?

Indrani Thuraisingham
Consumers International

13 July 2012
Motivation for revision of the Guidelines

Since the last revision of the Guidelines, some things have changed:

• The iPod had not yet been invented.
• We were not yet in the situation where more than 1 billion people have mobile phones but yet do not have bank accounts
• Facebook did not exist for another 5 years.
And some things remain unchanged:

- About 1 billion people have unsatisfactory access to potable water and more than 2 billion have unsatisfactory access to proper sanitation.

- With an estimated 925 million hungry people in the world, almost 1 in 7 people go hungry everyday.
Thus, the UN Guidelines need to address:

- technological advances
- the Guidelines tend to refer to consumers who have ‘economic/purchasing power’ while extreme poverty excludes many people from accessing certain basic services—water (Sec H), energy = NON CONSUMERS
- CI’s principle of ‘access to basic needs’ to be incorporated into Art 3 of the Guidelines which lists ‘the legitimate needs’
Technological advances

Amendments to existing parts of the guidelines:

- Post-purchase safety information/ manual to be online to serve second hand markets
- No to removing functions from game consoles, changing terms of use once products are bought
- Facilitating universal access to the Internet
- Enabling competition from generic drugs
A new section on Consumers in the Digital Age

- Increasing the availability of knowledge based works
  - Public domain, open access, free government works
- Expanding fair use of works by consumers
  - Copyright exceptions, cutting digital locks
- Fairer enforcement practices
- Privacy, neutrality, diversity, standards
Priorities

- **Competition**: Many competition issues lie upstream from the retail consumer.

- Competition policy interfaces with consumer welfare but competition policy needs to deal with matters on concentration of industry structures - eg European energy market.

- International agreements that ‘legalise’ anti-competitive practices need to be reviewed, eg export subsidies that allow agricultural dumping affecting food security.
Priorities

- ‘Legitimate needs’ indicate the important roles of consumer organisations. To facilitate these roles:
  - in policy formulation- consumer organisations participating in regulatory processes eg. public hearings;
  - consumer representation
  - in addressing grievances- consumer organisations handling consumer complaints; representations in the Board of dispute resolution system

there needs to be clear provisions in the Guidelines on government financial support for consumer organisations
Conclusions

- Need to define ‘consumer’
- Extending general principles (Art 3) to include access to basic needs
- Introducing a new Article – Consumers in the digital age
- Upstream competition policies that impact negatively on consumers need to be reviewed
- Sectoral expansions: energy, financial services
- Clear provisions on government support for consumer organisations