



**The approach, structure and sections of
the training materials of the 1st cluster of
issues (Financial Services, Professional
Services and Environment)**

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Consumer Protection**

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A stylized world map in shades of orange and yellow, serving as a background for the slide. The map is centered and shows the outlines of the continents.

Agenda

1. **Brief introduction: UNCTAD work on Consumer protection**
2. **Introduction about the UNCTAD-ASEAN Project on Consumer Protection (Nov 2014 – Dec 2015)**
3. **Approach, structure and development of the training materials of the 1st cluster of issues (Financial Services, Professional Services and Environment)**



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UNCTAD work on Consumer Protection

- dates back from 1985 with the adoption of the UN Guidelines on Consumer Protection (UNGCP).
- UNGCP: work on consumer protection issues, by OECD, OAS, UNIDO and UNCITRAL, and prevailing norms and best practices were incorporated into the original document.
- UNGCP: valid and relevant document for consumer protection policy and have inspired a significant number of national consumer protection laws.
- To continue to provide a relevant framework, a number of areas have been identified for improvement (Review of 1999 and current review of 2015) .

Consumer protection mandate

- UNCTAD works with member States to develop consumer protection laws and conducts training on consumer issues
- Examples: 17 Latin American countries under COMPAL Latin America, AFRICOMP (Botswana), ASIAN (Bhutan, Laos, Cambodia)
- Tools:
 - **UNCTAD Consumer protection manual of 2004**
 - Chapter 4: Consumer Organisations
 - Chapter 5: Consumer Law
 - Chapter 6: Competition Law in the Consumer Interest
 - Chapter 7: Consumer Redress
 - Chapter 8: Consumer Information
 - Chapter 9: Product Safety and Liability
 - Chapter 10: Consumer Credit
 - Chapter 11: Insurance and the Consumer
 - Chapter 12: Electronic Commerce
 - Chapter 13: Consumer Education
 - Chapter 14: Consumer Protection in the Provision of Utilities
 - Chapter 15: Food for All
 - Chapter 16: Consumer Protection in Health Care Delivery
 - Chapter 17: Sustainable Consumption

Three Pillars of the Competition and Consumer Policy Branch (CCPB)

**Consensus
Building**

(Intergovernmental
Machinery)

Research

**Technical
Assistance**

UN Guidelines on Consumer Protection of 1985

Consensus Building

UNCTAD

- UNCTAD Conference takes place every fourth year
- Last UNCTAD Conference: Doha, 2012
 - Review of UNCTAD Mandate and prioritisation of work

CCPB

- Conference to review the UN Set on Competition takes place every fifth year
 - To Affirm the usefulness of the Set on Competition and revise the competition mandate
- Intergovernmental Group of Experts (IGE) Meeting on Competition every year
 - To evaluate the work program on competition and to update the areas of focus

Technical Assistance (TA)

Competition Law & Policy

1. Competition Advocacy
2. Adoption of laws / law reforms
3. Training (competition officials, judges)
4. Institution building
5. Peer Reviews
6. Cooperation

Consumer Protection

1. Consumer Protection Advocacy
2. Adoption of laws / law reforms
3. Training (consumer protection authorities)
4. Institution building
5. Cooperation



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Project on Strengthening Technical Competency for Consumer Protection in ASEAN

- Address the need for improved technical competencies and institutional capacity within consumer protection agencies in ASEAN and build a critical mass of consumer protection trainers
- The project will build/strengthen capacity of government agency personnel through training of consumer protection enforcers including in:
 - Product safety and labelling;
 - Phone and internet services, and e-commerce;
 - Consumer credit and banking;
 - Environment;
 - Healthcare services; and
 - Professional services.

Mode of delivery:

- **Step one:** Need assessment: assess core training needs and recommendations for modes of delivery in ASEAN Member States (AMS);
- **Step two:** develop training programs, modules and materials, and tools;
- **Step three:** convene a pilot training workshop to validate the training program and materials; and
- **Step four:** deliver and evaluate the effectiveness of two (2) full-scale training workshops. Taking into account the different states of consumer protection across the region, these will incorporate appropriate strategies for the respective target audiences.

Main findings of the 1st set of field visits to Lao PDR, Thailand and Vietnam (Nov-Dec 2014):

- All three countries have a one leading agency for handling consumer affairs and several ministries and sector regulators, national and regional units handling consumer affairs. However, it appears not to be a “one stop shop” to handle all consumers’ complaints.
- Most of them do not have adequate and sufficient powers to take meaningful measures to undertake consumer affairs. For instance, in the case of OCPB, they cannot enforce businesses to come to the office. Many of the agencies do not work together with other agencies, as there is no platform to coordinate consumer protection issues at the inter-ministry level.
- Internally, the agencies interviewed have underlying needs when it comes to staff training. For instance, as for the training for skills, most of them have institutional and different approaches between the top management and the case handlers. In addition, when approaching closely to the agency, there are problems related to priority setting and limited knowledge about focusing on prevention or raising awareness on consumer rights.

Main findings of the 1st set of field visits to Lao PDR, Thailand and Vietnam (Nov-Dec 2014) (cont´):

- Capacity to counsel consumers is limited as there is limited capacity of staff. This issue is exacerbated in countries where Consumer Associations do not received sufficient financial support of the Government. This is the case of the largest Consumer Association in Vietnam called VINASTAS.
- Some of the agencies interviewed have been established for more than three or even four decades, such as the case of Electricity Regulatory Authority of Vietnam (ERAV) in Vietnam from 1972 that have not necessarily evolved over time.
- The question of language is a barrier in all the countries visited. The case handlers need to be trained locally in the national language. UNCTAD suggested that each country should translate the training materials into national language to secure impact, outreach and dissemination

Main findings of the 2nd set of field visits to Malaysia, Brunei and Singapore (April 2015):

- Malaysia and Brunei have a one leading agency for handling consumer affairs and several ministries and sector regulators handling consumer complaints in the 6 focused areas of the project. However, sectorial consumer protection enforcement lacks direct compensation to consumers. Consumers will have to address the leading agency such as the Tribunal for Consumer Affairs in Malaysia. Singapore has a unique system to handle consumer complaints through the only consumer association in the country (CASE). They handle more than 90% of the consumer affairs and this association is well established with a sophisticated system of handling consumer complaints.
- Within the six areas focused of this project, there are certain sectors that overlap. For instance, between food safety (Product Safety) and health care services as well as medical services (professional), several units within the Ministries of Health are normally in charge of handling consumer complaints. Not in all cases, there is a necessary coordination between these units.

Main findings of the 2nd set of field visits to Malaysia, Brunei and Singapore (April 2015) (cont') :

- Internally, the agencies interviewed have underlying needs when it comes to staff training particularly for the case of Malaysia (some sectors more than others) and Brunei (the central agency more than others). For instance, as for the training for skills, most of them have institutional and different approaches between the top management and the case handlers. In addition, when approaching closely to the agency, there are problems related to priority setting and limited knowledge about focusing on prevention or raising awareness on consumer rights.
- Capacity to counsel consumers is remarkable in particular in the case of Malaysia and Singapore (through the Consumer Association). However, this might be an issue when it comes to the Brunei case where it seems that this capacity could be strengthened in all levels (Central and sectorial enforcement).

Main findings of the 2nd set of field visits to Malaysia, Brunei and Singapore (April 2015) (cont') :

- To sum up, each of the six focus areas of this project are variably developed in each of the countries visited with unique systems such as the case of Singapore where NGOs seem to have a delegation of authority to deal with these areas. UNCTAD made the point where this type of approach may not be applicable to all AMS but the technical and soft skills dimension of this experience can be easily replicated to other less advanced countries in the ASEAN community such as Lao PDR, Cambodia and others.

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Approach:

- **Field visits undertook to 6 ASEAN countries:**
 - Lao
 - Thailand
 - Viet Nam
 - Brunei
 - Singapore
 - Malaysia
- **Field Work Programme:**
 - Questionnaires' to be replied prior to field mission by selected institutions
 - Set of questions to be addressed in the interviews
 - Conduction of Interviews
 - Follow up with additional information with the interviewee institutions
 - Establishment of long- term working relationship between UNCTAD and the stakeholders.

The field visits

- Following the preliminary results of the first set of field visits in 2014 (mission reports) and the feedback received by the ASEAN secretariat (Feb 2014) by the first version of the Inception Report, UNCTAD suggested the organisation of a second set of field visits to more advanced AMS such as Malaysia and Singapore as well as Brunei Darussalam.
- UNCTAD believed that this second set of field visits was necessary to focus in the new sectoral approach put forward by the ASEAN Secretariat and thereby ensuring that all needs and priorities of the diverse set of AMS are addressed by a regional product and ultimately be used by all AMS sectoral consumer protection enforcers

Development of the training materials

- 5 out of 6 sectoral training materials have been prepared in accordance to the following five focus areas:
 1. product safety and labelling,
 2. phone & internet services, and E-commerce,
 3. consumer credit and banking,
 4. environment,
 5. professional services
- The module on healthcare services will be prepared based on the PPT and outlines prepared by UNCTAD and its consultants

Development of the training materials (cont´)

- Each module prepared follows a main structure :

1) Market intervention by government (under sector policy perspective) including both pre and post measures: For Pre-post market interventions by government, this classification directly gives responds to the ASEAN Secretariat's concerns in terms of covering consumer protection related measures coming from Government actions.

The elaboration of pro market measure will highlight the features of each sector, including information disclosure, mandatory standards, code of conducts and minimum standard contracts.

Development of the training materials (cont´)

- 2) **Redress mechanism for consumer to access justice:** In terms of "redress mechanism"(Section 5), it is important to clarify the difference between remedy, redress, and redress mechanism
- 3) **Substantive issues (for case handlers to make legal judgement in each kind of case):** in accordance to the AADCP report, this section will cover how to evaluate specific illegal activities based on fact-finding scenarios and the grounds over which sanctions are determined.

In this part, the rule of law, legal criteria, remedy for specific illegal conduct and case study will be prepared to help case handlers to carry out their day-to-day work. Briefly, this section is about how to apply the law and how to use the protection tool by make judgement on individual cases within in different categories of illegal conducts. Noteworthy, only illegal practices concerned mostly by consumers in 6 sectors, which are given by the 10 ASEAN national reports, are discussed in Section 6, to save limited resources.

Development of the training materials (cont´)

- 4) **Management tools for senior officials (soft skills):** Regarding "compliant management and communication tools", it includes the following soft skills: Complaints handling system, inter-agency collaboration and communication tools. These skills have as common nature "the art of management", distinguishing from the regulation, law or dispute resolution.

Technical issues vs. soft skills

The new approach to the project includes both substantive consumer protection issues (section 2), technical issues that are peculiar for each sector (section 3,4,5) and soft skills to better carry out the day-to-day work (section 6).

Module on “CONSUMER CREDIT AND BANKING”

1. Introduction on the potential growth of the ASEAN consumer credit market and gaps in the laws
2. Substantive consumer protection issues (consumer credit, terms of credit arrangements, debt collecting practices, etc)
3. Criminal practices
4. Consumer remedies and redress
5. Enforcement (investigations, inter-agency cooperation and data sharing, public notifications and warnings, penalties and other enforcement outcomes and setting consumer agency priorities)

Module on “PROFESSIONAL SERVICES”

1. Introduction
2. National substantive consumer protections in the 10 ASEAN countries
3. Pre-market intervention/protection
4. Protecting consumers of Professional services
5. Internal complaints handling and external redress schemes
6. Best practice regulation of medical and legal professional services
7. Models for the establishment of complaint handling and redress schemes.

Module on “ENVIRONMENT”

1. Introduction
2. Consumer protection issues in the provision of environmental goods and related services (access to and sufficiency public utility, quality of goods and service, pricing of energy and water, etc)
3. Pre-market intervention/protection
4. Post market intervention (investigation, sanctions)
5. Redress mechanism and complaint management (grievance/complaint channels, protocol/procedural guidance, sample cases of complaints)
6. Related annexes
7. Conclusions and recommendations
8. References



Many thanks!

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