Consumer Over-indebtedness and digital economy: COVID challenges

Side event of BRASILCON (Brasilia), with the support of the Committee on International Protection of Consumers-ILA (London), the IACL-International Association of Consumer Law and the CDEA-Center for German and European Studies (UFRGS-PUCRS-DAAD)

Brasilcon (Brazilian Institute of Consumer Policy and Law, Brasilia), together with the ILA’s Committee on International Protection of Consumers, the IACL-International Association of Consumer Law and the CDEA-Center for German and European Studies (UFRGS-PUCRS-DAAD) propose a panel to reflex about the consumer protection laws changes and challenges brought by the COVID-19 pandemic crisis. The growth in consumer over-indebtedness following the COVID-19 financial problems is the first aspect to analyze. Today, 66.6 million people in Brazil have one or more unpaid debts (SERASA EXPERIEN, 12.07.22)\(^1\) and during the pandemic, 79% of the population needed credit to face the endurances (SERASA, 27.07.21).\(^2\) In July 2021, the 1990 Brazilian Consumer Code was changed to include two chapters on prevention and the treatment of the consumer over-indebtedness through Law 14.181/2021. Brasilcon, the International Association of Consumer Law and the UFRGS-Federal University of Rio Grande do Sul offered you a first translation of the new chapters (above). Second, the panel will reflect on the new digital economy, especially in bank and financial services in emergent countries during the COVID-19 pandemic and how these present challenges to consumer protection and perhaps the need to update the legislation.

\(^{1}\) Source: Serasa: 66,6 milhões de pessoas estão endividadas no Brasil (contabeis.com.br).
\(^{2}\) Source: 79% dos brasileiros buscaram crédito durante a pandemia de Covid-19, diz Serasa | CNN Brasil.