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**Contribution
by
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**“CHALLENGES AND PERSPECTIVES FOR THE
COLLABORATIVE ECONOMY”**
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**INTERGOVERNMENTAL GROUP OF EXPERTS ON CONSUMER
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Introduction

A “collaborative economy” can be described as a form of diverse business phenomenon that allows business, consumers and individuals to share the use of products and services made available to people that require them by people doing so either on their own accord or on behalf of other business entities. All this typically happens and is underpinned by a digital framework.

“The digital economy has much to offer consumers. It can deliver increased choice, improved services and provides people with the convenience to shop whenever and wherever they like. The high-tech consumer world, however, also provides us with many consumer protection challenges.” –Rod Simms, ACCC Chairman, 2014 address to National Consumer Congress

Some Global Examples

- Uber Technologies & travel option convenience;
- Pay pal payment system allowing people to make online financial transactions, grants e-transfer ability between business and individuals;
- Airbnb, convenient for people to source cheaper accommodation & travel options;
- Ebay, offering unique online shopping experience;
- Trade Car View, bringing together used motor vehicle sellers and potential customers interested in the vehicles on offer
- Facebook based Zambian Small Scale Farmers' sharing numerous products/ services

Digital Foundation for Collaborative Economy

- Online intermediaries like online traders that (aggregators of specific info from multiple online sources; or those trading in goods through distribution play significant role in how consumers are affected
- Zambia not spared by digital movement with proliferation of internet & use of social networking digital technologies like smartphones makes collaborative economy a reality
- Zambians increasingly engaging in online business transactions with growing internet/digital use

How Business Models & Regulation Can Adapt to Collaborative Economy

- Unregulated nature of internet, an operational fulcrum for businesses poses a challenge
- Effective & transparent consumer redress systems by business;
- Adequate disclosures for products to prevent misrepresentation;
- Clear rules of engagement, T&Cs with consumers by business for international transactions;
- Strengthen trust in digital sharing systems

Consumer Dispute & Responsibility in Collaborative Economy

- Jurisdictional challenges in cross border transactions;
- Potential risks of non delivery, defective goods or misrepresentation;
- Who is responsible?
- Who are these businesses really? Independent? Agents? If so, responsibility rests with manufacturer
- If separate market, consumer needs to deal with manufacturer
- For in-country transactions, responsibility lies with both manufacturer and agent. E.g courier companies in Zambia

Promoting Appropriate Best Practices

- Transparency at all levels (marketing, advertising, contracting & delivery) & adequate disclosures;
- Establish Dispute Resolution Mechanisms for online transactions;
- Provide for accountability and responsibility for emerging complaints way after transactions;
- Adjust Administrative Policies to suit emerging technological changes such as online purchasing.
- International consumers and regulatory agencies have to accustom themselves with the legal and administrative formalities of the countries concerned with transactions

IMPLICATIONS FOR INTERNATIONAL COOPERATION

- Cross border transactions require cooperation through sharing information on cross border offenders & enforcement;
- Review legal frameworks to effectively protect the consumer and meet international best practice;

Conclusion

- Collaborative economy presents both abundant opportunities for consumer welfare but also threats;
- These must be harmonised to ensure consumer benefit and avoidance of stifling business innovation;
- There must be access to affordable digital platforms for all sections of the population to benefit

Thank you

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