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**Report on the Working Groups on Consumer Protection in
E-commerce and on Consumer Product Safety**

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Report on the Working Groups on Consumer Protection in E-commerce and on Consumer Product Safety

i. E-Commerce

In India and most developing countries, E-commerce laws and regulations are still evolving. There are no laws to protect customers if they lose money during digital transactions. The lack of basic privacy and security laws pertaining to digital payments in most developing countries puts the onus on consumers who use such services. Digital payments failure, manufacturing and expiry dates not known to the consumer, delay in delivery of the goods, origin of goods unknown, quality issues, return and refund policies are not clear, and dispute redressal, especially in case of cross-border exchange are some of the pertinent issues for a consumer.

The new Consumer Protection Bill, 2018 (which is yet to be passed by the Parliament of India) include establishment of an independent executive agency, the Central Consumer Protection Authority (CCPA), which will serve as a regulatory body to take care of the rights of the consumers.

The authority will have a right to recall the products and cancel the advertisements in case of misleading advisements. It will also be empowered to commence class action lawsuits against companies that are evading the statutes of the law and it will now, also, cover Indian e-commerce portals.

The new bill confers power on the authority to initiate action against the manufacturers on its own unlike the old Act where the consumer is required to file a case before the court to initiate proceedings.

ii. Consumer Product Safety

In the existing Consumer Protection Act of India, there is no direct reference to the term product liability and product safety. A new Chapter VI "Product Liability" has been added in the new Consumer Protection Bill that defines product liability as the responsibility of a manufacturer or vendor of goods or service provider to compensate for injury or damage caused to a consumer by defective products sold to a consumer or deficiency in services. Important features of this newly added proposed provisions on Product Liability is a provision, which assigns liability to the seller, in case manufacturer is not identified and the provision that makes seller liable when the manufacturer is outside the jurisdiction of the State.

Latest Developments in Legal and Institutional Frameworks and World Consumer Protection Map

In India

1. The Government considering the passage of a new Consumer Protection Bill. The salient features of the bill include establishment of an executive agency to be

known as the Central Consumer Protection Authority (CCPA) to promote, protect and enforce the rights of the consumers and will be empowered to investigate, recall, refund and impose penalties; provision for product liability action in cases of personal injury, death, or property damage caused by or resulting from any product; provision for mediation as an Alternate Dispute Resolution (ADR) making the process of dispute adjudication simpler and quicker and simplification of the process of adjudication by the consumer fora.

The Consumer Protection Bill, 2018 provides for establishment of an executive agency to be known as the Central Consumer Protection Authority (CCPA) which will deal with unfair trade practices and misleading advertisements. The provisions of the Bill will cover the whole country.

2. Three key are initiatives underway -- a financial redress agency, curbing ponzi schemes and a unified financial sector appellate tribunal. A unified Financial Redressal Agency (FRA) is a one-stop forum for speedy and convenient settlement of complaints of retail financial consumers. A task force set up to establish a sector-neutral FRA recommended a financial sector consumer protection law and even proposed an operational framework.

As for ponzi schemes, a Bill on the banning of unregulated deposit schemes was introduced and passed by the Lok Sabha.

3. Digital Initiatives.

- A new portal INGRAM under National Consumer Helpline was launched for providing a common IT platform for various stake holders involved in the Consumer Grievance Redressal Mechanism and for disseminating information to consumers.
- A short code 14404 to access the National Consumer Helpline and a Mobile App for registering and tracking complaints.
- Barcode Reader App "Smart Consumer" which is an application to know the product details and also to register grievances on packaged commodities.
- Micro Site for educating consumers on Internet and Digital Safety.
- Online Consumer Mediation Centre (OCMC) to provide an innovative online mediation tool for e-commerce complaints.
- Online Consumer communities on the digital platform "Local Circles" for presenting views, grievances and suggestions enabling the Department to know the pulse of the public that may help in policy intervention, if required.
- A Mobile Application for Networking of Consumer Fora was launched for complainants to track case status, judgments and retrieve other information.

4. Quality assurance

- To safeguard the interest of consumers and ease of doing business, the Legal Metrology(Packaged Commodities) Rules were amended. It now mandates that the goods displayed by the seller on e-commerce platform shall contain declarations required under the Rules.