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The Efforts of Saudi Arabia in the Implementation of the United Nations Guidelines for Consumer Protection

Contribution of the Ministry of Commerce

Saudi Arabia

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#### 1- Saudi Arabia experience in implementing the UNGCP from 2015-2020

#### A- E-Commerce

- ➤ In 2019, the Saudi Government issued the E-COMMERCE LAW, which aims to
- (1) Increase confidence in e-commerce transactions;
- (2) Provide consumers necessary protections against fraud, deception and misinformation; and
- (3) Boost and develop e-commerce activities in the Kingdom.
  - More than 50 violations of the law since November 2019.
- ➤ In Jan 2020, the Saudi government agreed on the "Unified Strategic Framework of E- Commerce between the GCC countries", which includes, but not limited to, agreement on exchange information and promote transparency, facilitate cross-borders e-commerce, unify the rules of consumer protection in e-commerce.

## **B-** Consumer Information and Education

- > Businesses are required to disclose information regarding product hazards and information on weights and measures, prices, quality, credit conditions according to:
  - o Anti-commercial fraud Law, Commercial Data Law, E-Commerce Law
- After passing the E-commerce law, the Ministry of Commerce has organized training programs to mass media professionals to enable them to participate in carrying out consumer information and education programs.
- To encourage the development of market conditions, which provide consumers with greater choice at lower prices the Saudi Consumer Protection Association, established in 2018 an online platform called (Qaren) where the consumers can compare the prices in multiple stores in order to get the lowest prices and the best offers.

#### **C-** Consumer Privacy and Data Protection

- > In 2017, the Saudi government established National Cybersecurity Authority, which has both regulatory and operational functions related to cybersecurity, and it works closely with public and private entities.
- > The authority has a mandate includes, but not limited to, overseeing its implementation; cybersecurity frameworks, controls, compliance; and raising awareness on cybersecurity.
- The authority has released guidelines for e-commerce service providers, and cybersecurity guidelines for online consumers to help them get a secure shopping experience and to protect their devices, data and personal information during online transactions.
- Also, new technologies have been addressed through the authority's regulations such as Clouds Cybersecurity Controls.



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- Other governmental entities adopted laws and regulations regarding Consumer Privacy and Data Protection:
  - Ministry of Commerce → 2019 E-Commerce Law
  - 2017 Guidelines Ministry of Communication  $\rightarrow$ for providing mobile telecommunication services, telephone, data and Internet
  - Saudi Arabian Monetary Authority -> Banking Consumer Protection Principles, and Finance Consumer Protection Principles 2019

## **D- Consumer Protection and Basic Goods and Services**

- > The Ministry of Commerce has established electronic surveillance/observation system for products pricing to assure fair and equitable prices. From March - May 2020, the system recorded more than 40,000 visits and 1,586,673 readings for 217 products that include products related to Covid-19 such as facemasks and sanitizers.
- ➤ In March 2020, the government regulated price gouging and made it illegal for businesses to charge excessive prices for goods or services that are essential to health, safety or welfare.
- ➤ In June 2020, despite the economic conditions resulting from the impacts of Covid-19, Saudi Arabia ranked second internationally in the CONSUMER PRICE INDEX FOR 2020, according to global competitiveness annual report for 2020 covering the world's leading 63 competitive countries.
- This great progress reflects the efforts to develop the business environment in Saudi Arabia, as well as the development of legislation to regulate and organize commercial work, taking into consideration the participation of the private sector.





- 2- A-What the emerging challenges in consumer protection today are?
- Global Digital Advertising that does not comply with national and international codes of practice and laws, including fraud, deceptive, misleading or aggressive ads directed at children.
- National and global Digital Advertising has the power to promote consumption increase where that consumption comes into clearer conflict with the aim of a particular public policy that promotes sustainable consumption.
- Lack of access to the digital economy for vulnerable consumers.

#### B- What areas of the UNGCP need further discussion and implementation?

- Proper regional and global Policies for promoting sustainable consumption
- International cooperation against fraud in E-Commerce and digital ads