

COMPETITION AND CONSUMER PROTECTION POLICIES AND FRAMEWORKS

IMPROVING MARKET EFFICIENCY AND CONSUMER WELFARE



GLOBAL CONTEXT

Competition and consumer protection policies are complementary to trade and industrial policies and are important instruments for achieving economic growth and inclusive and sustainable development. In the current global economy, with highly concentrated markets, competition policy is even more relevant to create an enabling business environment and provide opportunities for start-ups and small and medium-sized enterprises, while ensuring consumers wider choice, lower prices and good-quality products. On the demand side, consumers need to have their rights protected and have easy access to effective dispute resolution and redress, especially in context of the digital economy.

UNCTAD has expertise in competition and consumer protection policies and has been working in these areas since the 1980s. UNCTAD is the custodian of the Set of Multilaterally Agreed Equitable Principles and Rules for the Control of Restrictive Business Practices, adopted in 1980, the only internationally agreed instrument on competition policy that provides recommendations for the control of anticompetitive practices and a framework for international cooperation and exchange of best practices, while recognizing the development dimension of competition law and policy. UNCTAD is also the guardian of the United Nations guidelines for consumer protection, adopted in 1985 and revised in 1999 and 2015, which have strongly influenced the drafting and the modernization of consumer protection legislation by developing countries and countries with economies in transition.

UNCTAD assists developing countries and countries with economies in transition in adopting or revising competition and consumer protection policies and legislation, as well as regional frameworks, to ensure alignment with international best practices. Until 2018, almost 140 member States adopted competition frameworks, including several developing countries and countries with economies in transition across the world, as did several regional economic organizations with developed and developing countries as members (for example, the Association of Southeast Asian Nations, Caribbean Community, Central African Economic and Monetary Community, Common Market for Eastern and Southern Africa, Eurasian Economic Union, West African Economic and Monetary Union).



HOW DOES THE PROGRAMME WORK?

UNCTAD contributes to the strengthening of competition and consumer protection regimes in developing countries and countries with economies in transition through the following:

- Developing and improving policy, legislative and institutional frameworks.
- Drafting competition and consumer protection legislation adapted to addressing current challenges and harmonized with regional frameworks.
- Setting up institutional frameworks for effective law enforcement and efficient functioning.
- Building human capacities through training programmes aimed at competition and consumer authorities, Government and officials of sectoral regulators, representatives of business and consumer organizations and the judiciary.
- Developing curriculums for universities, to deliver courses on competition and consumer protection.
- Establishing links between agencies through study visits from experts from both developed and developing countries.

UNCTAD technical assistance and capacity-building in the fields of competition and consumer protection is developed in close cooperation with the beneficiaries and employs a multi-stakeholder approach to foster a culture of competition and consumer protection and raise awareness among consumers and businesses. UNCTAD provides support to relevant institutions and stakeholders to build institutional and human capacity in implementing competition and consumer protection legislation.



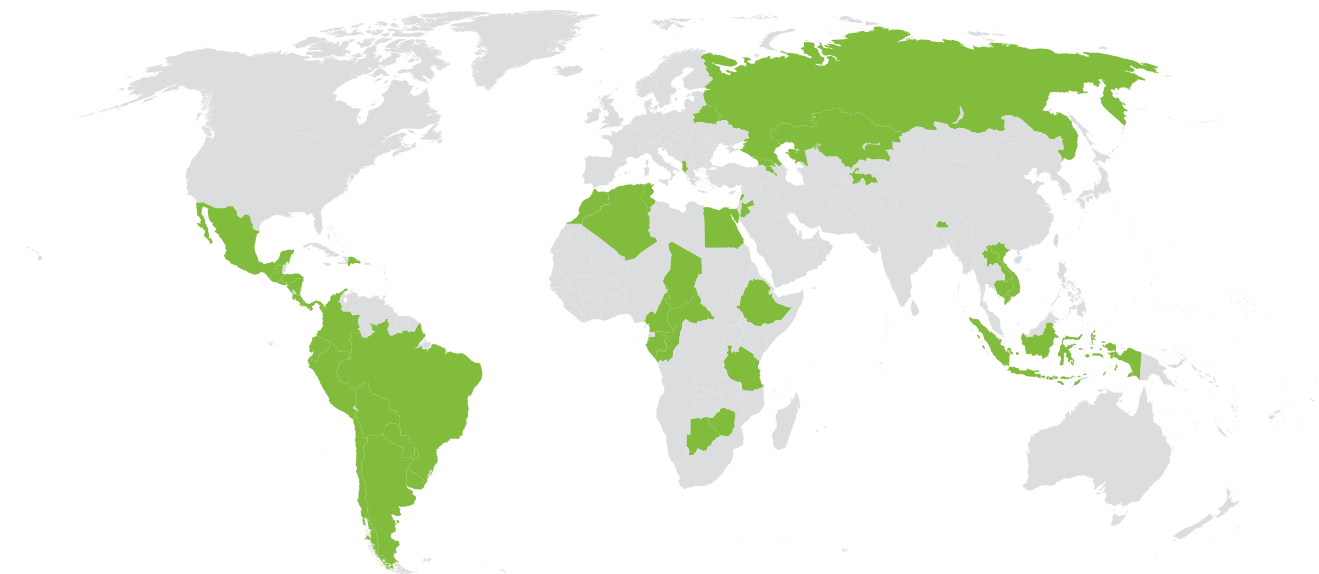
RESULTS AND IMPACTS AT A GLANCE

UNCTAD has achieved the following results in countries involved in its technical assistance and capacity-building programmes:

- Improved competition and consumer protection legislation to address current challenges.
- Strengthened human capacities in competition and consumer protection law enforcement.
- Improved institutional structure and organization to strengthen effective and efficient law enforcement.
- Enhanced competition and consumer protection culture through advocacy and awareness-raising seminars.



Competition and consumer protection policies and frameworks (up to 2019)



UNCTAD has a record of accomplishments in assisting developing countries in building capacities to adopt and implement competition and consumer protection law and policy. For example, UNCTAD has played an important role in the recent adoption of the merger control law by the Government of Peru. Peru had discussed the merger control for more than 20 years and it had encountered firm opposition from an important economic sector of the country. UNCTAD began the work of raising awareness and preparing the merger control bill for Peru in March 2017, and the law was finally adopted on 30 October 2019.

In Central Africa, UNCTAD worked on the reform of competition regulation and the creation of a legislative framework for consumer protection from July 2017 to July 2019. The work proved very successful, given that in March 2019, the Council of Ministers of the Central African Economic and Monetary Community adopted a new regulation in the field of competition and a directive that obliges member States to adopt internal consumer protection rules in a harmonized way. During the same period, UNCTAD worked on the development of a draft regulation on competition for the Democratic Republic of the Congo, which was also approved by the country's Parliament in June 2018.

The UNCTAD *Manual on Consumer Protection* provides concrete examples of how to implement effective consumer information and education, covering critical issues with respect to labelling and advertising. The UNCTAD course on consumer education and business guidance for 17 Latin American countries was delivered to 1,500 civil servants, leading to new sustainable consumption initiatives such as the Argentinian online courses against food loss and the Chilean “My Green Code” for sustainable consumer products.

As a result of the effective implementation of its technical assistance and capacity-building programmes, UNCTAD has developed good cooperation and working relationships with competition and consumer protection agencies in member States. The UNCTAD network with these agencies is further reinforced through annual meetings of the Intergovernmental Group of Experts on Competition Law and Policy, held since 1998, and the Intergovernmental Group of Experts on Consumer Protection Law and Policy, held since 2016.



PROGRAMME FACTS AND FIGURES

Scope: all regions

Start date: 2003

Activities (2017–2019): Regional programmes – Latin America, Middle East and North Africa, Central African Economic and Monetary Community, Eurasian Economic Community; National projects – Belarus, Bhutan, Cabo Verde, Ethiopia, United Republic of Tanzania, Zimbabwe

Countries or regional organizations assisted:
44 countries and 1 regional commission (Eurasian Economic Commission)

Persons trained: 632 (2018)

Website: unctad.org/competition



Sustainable Development Goals addressed:

Directly: 8, 9, 10, 12, 17



DONORS/FUNDING SOURCE (2014–2019)

Luxembourg, Sweden, Switzerland, Association of Southeast Asian Nations, European Union, United Nations Office for Project Services, One United Nations funds