



PRODUCT SAFETY AND LABELLING

PowerPoint Slides Presentation Handout

Strengthening Technical Competency for
Consumer Protection in ASEAN





Product Safety and Labeling

Session 1 – Introduction



Session topics / Outline

- Rationale of concerns for product safety in the marketplace
- Aims of product safety regulatory regimes
- Jurisdiction of consumer protection agencies
- Interaction of the CPA with other regulatory bodies

Rationale of concerns for product safety



- The marketplace is not hazard free, as any product can contain hidden danger.

Rationale of concerns for product safety



- Accidents and injuries reveal safety deficiencies with:
 - Household consumer products
 - Electrical appliance
 - Children's toys with toxic chemicals

Rationale of concerns for product safety



- Sometimes, products could contain hidden dangers that do not show until after many years of use (e.g. pharmaceuticals, food).

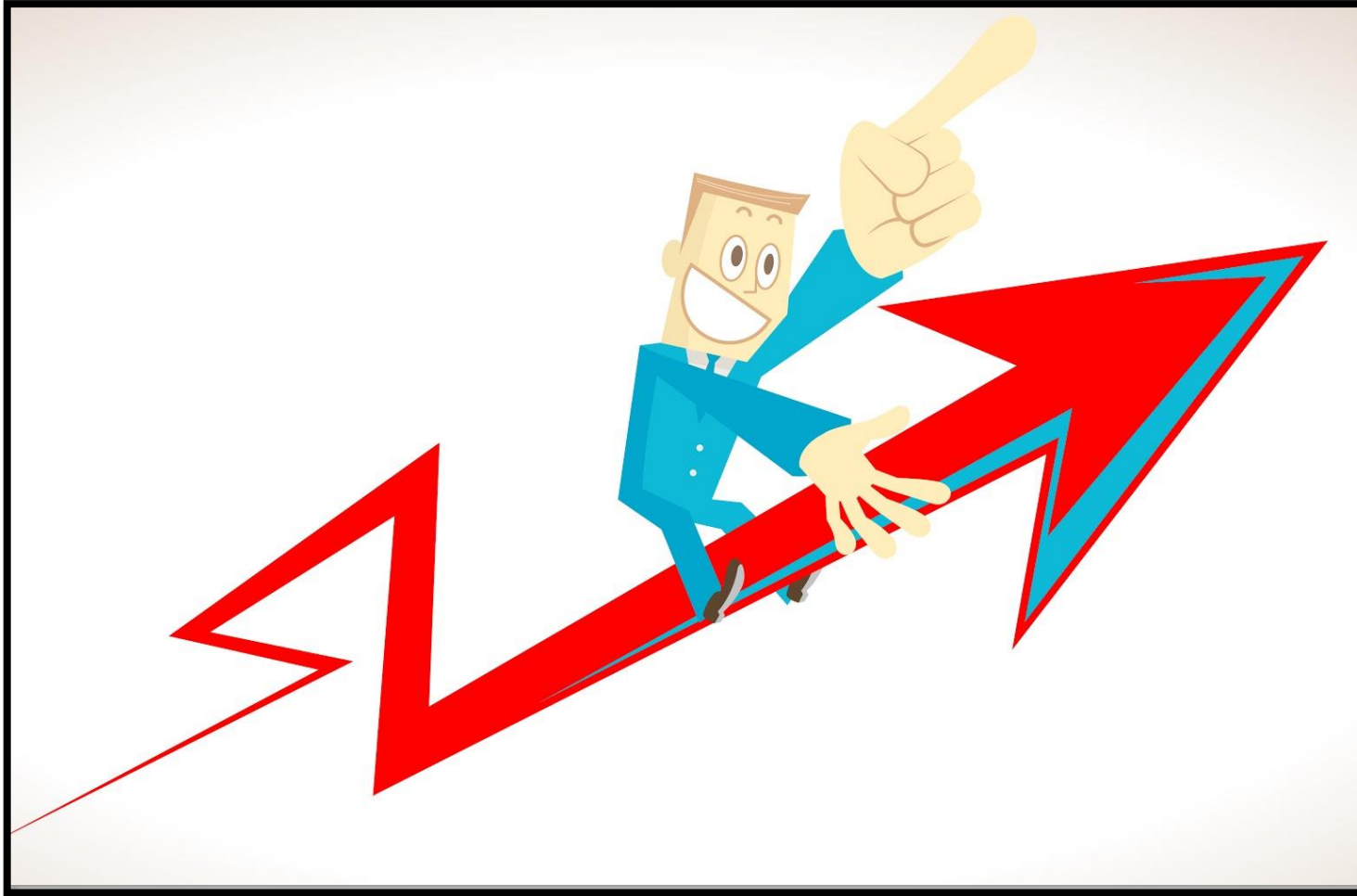
Aims of product safety regulatory regimes



Main aims of product safety regulatory regimes

- Protect consumers from unreasonable risk of damage to property or personal injury.
- Provide redress for consumers who suffer damage and injury.
- Incentivize producers to provide safe products.
- Punish errant producers for placing unsafe product in the market.

Aims of product safety regulatory regimes



Benefits of a strong and effective product safety regime:

- Increased trust in consumer goods markets.
- Enhanced business efficacy and competitiveness.
- More scope for domestic producers to access international markets.

Jurisdiction of Consumer Protection Agencies



- CPAs have pre-market regulatory powers to mandate minimum safety standards for goods, except:
 - In areas exercised by other governmental agencies.
 - Food, pharmaceutical, cosmetics (under Ministry of Health, Food and Drugs Administration).

Jurisdiction of Consumer Protection Agencies



- CPAs have pre-market regulatory powers to mandate minimum safety standards for goods, except:
 - Vehicle safety (under Ministry of Transport).
 - Agricultural products (under Ministry of Agriculture).

Jurisdiction of Consumer Protection Agencies



Consumer Protection Agencies:

- Have post-market powers to ban or recall unsafe/defective products.
- Provide for a general safety requirements for all products.
- Set specific safety standards for high-risk consumer goods, such as baby products.
- Set minimum information through labeling.

Jurisdiction of Consumer Protection Agencies



Consumer Protection Agencies:

- Receive and handle all types of consumer complaints, including those related to product quality and safety, or refer them to appropriate agencies.
- Provide consumer advice and education, including business' responsibility to ensure consumer safety.

Interaction of CPA with other regulatory bodies



- The CPA plays an advisory role to inform and educate consumers of their right to products.
- Where there is no general safety requirement in an AMS, alternatives include relying on other legal provisions.

Interaction of CPA with other regulatory bodies



- Enforces private law rights and safety requirements, except when further provisions allow for the CPA to:
 - Bring “representative” lawsuit on behalf of a consumer.
 - Get involved in mediation of disputes where a consumer seeks compensation.

Session Assessment



- What are your significant learnings in this session?
- How can you apply these learnings in your work related to consumer protection?



Product Safety and Labeling

Session 2 – Substantive Consumer Protection Issues



Session topics / Outline

- Private law rights
- Limitation of liability and exclusion clauses
- Product liabilities, defects, and defenses
- Product defects and defenses

Private Law Rights



- **Private Law** (contract law and tort law) provides consumers with rights to compensation or other relief if due to unsafe products, are physically harmed, or suffer other losses.
- Consumers could bring such claims through the courts or other dispute mechanisms.

Private Law Rights



- **Contract Law** applies if the consumer has an agreement directly with a supplier/retailer, or manufacturer/service provider, for provision of goods and/or services.

Private Law Rights



- Once a contract has been entered into, and an unsafe product is supplied, the consumer has claim in relation to the diminished value of the product.
- The supplier then can typically seek reimbursement from manufacturer.

Private Law Rights



In some legal system, the **liability of the suppliers/retailers may be limited if:**

- They are not negligent.
- The contract contains provisions that limit the liability of the suppliers to the consumers.

Private Law Rights



Some suppliers limit their liabilities, so to address this problem, some AMS render void:

- Any alleged exclusion or limitation clause.
- Unfair terms, requiring consumers to perform certain things to avail the benefit of a contract.

Private Law Rights



Limitation of claims for liabilities may include times when:

- Intermediaries (wholesalers) go bankrupt.
- Consumers join together to file multiple claims against an original manufacturer, in which case they are covered by the law of tort (negligence).

Limitation of liability and exclusion clauses



Signs of unfair contract terms:

- There is a significant imbalance between the rights and obligations of the parties.
- The term is not reasonably necessary to protect legitimate interests of the business but is included nonetheless.

Limitation of liability and exclusion clauses



Signs of unfair contract terms:

- The term might cause loss to the consumers.
- The term lacks transparency.

Limitation of liability and exclusion clauses



Examples of unfair contract terms:

- That limits the producer's liability when the product causes damage, injury or death, despite it being due to their negligence.
- Requirements for consumer to bring claims within tight time limits or extensive evidence of product failures.

Waiver of Liability

This agreement releases [Organization] from all liability, including medical, for injuries or damages caused by negligence, arising from any activity, on location, etc.) by signing this agreement. I understand that the [Organization] does not have any control over the activities of the participants and I am releasing the [Organization] from all liability for injuries or damages caused by negligence, arising from any activity, on location, etc.) by signing this agreement.

I also acknowledge the risks involved in this activity. I understand that the [Organization] does not have any control over the activities of the participants and I am releasing the [Organization] from all liability for injuries or damages caused by negligence, arising from any activity, on location, etc.) by signing this agreement.

Additionally, I do not have any conditions that will cause the [Organization] to be liable for injuries or damages caused by negligence, arising from any activity, on location, etc.) by signing this agreement.

By signing below (or by not signing a full signed organization) I will receive [participation in activity] all risks involved in this activity are listed in writing and as explained to me orally. I will do so voluntarily, fully understand and agree to the terms of this agreement.

I, _____, fully understand and agree to the terms of this agreement.

(Participant)

- Common law countries (such as Singapore and Malaysia) could provide consumer certain minimum statutory warranties or guarantees, and then prohibit any attempts for suppliers to contract out by getting consumers to agree to waive such rights.

Product Liabilities, Defects, and Defenses



Aims of Product Liability Laws:

- Compensate those who have suffered due to defective and unsafe products.
- Punish those who have caused harm.
- Deter producers from selling and supplying defective products.

Product Liabilities, Defects, and Defenses



Without product liability law, consumers are at a disadvantage because:

- Claims based on contracts are deficient given that contracts are between the buyers and the retailers or distributors, not between the users and the producers.
- It is difficult to obtain proofs of the producer's negligence.

Product Liabilities, Defects, and Defenses



Advantages of Product Liability Laws

- The claimant need not prove that the producer is at fault.
- Claimant only needs to prove that the product has a safety defect and that defect caused the loss or injury.

Product Liabilities, Defects, and Defenses



Defects

- Apart from physical defect, a product can be unsafe as a result of:
 - Packaging
 - Labeling
 - Deficiencies that make the product hazardous

Product Liabilities, Defects, and Defenses



Three major categories of defects:

- Manufacturing defects
 - Error during the manufacturing process
 - Use of defective raw materials
- Design defects
 - Poor construction materials
 - Inadequate testing

Product defects and defenses



Three major categories of defects:

- Labeling or warning defects
 - Failure to provide an adequate warning
 - Failure to provide instructions

Product defects and defenses



Other types of defects:

- Packaging defects
 - Product may not be packaged safely.
- Development risk defects
 - The defects are not known at the time of marketing.

Product defects and defenses



Other types of defects:

- State of the Art defects
 - Defects are acceptable at the time of marketing.
- Post-Marketing defects
 - Failure of producer to take remedial actions after danger has been detected.

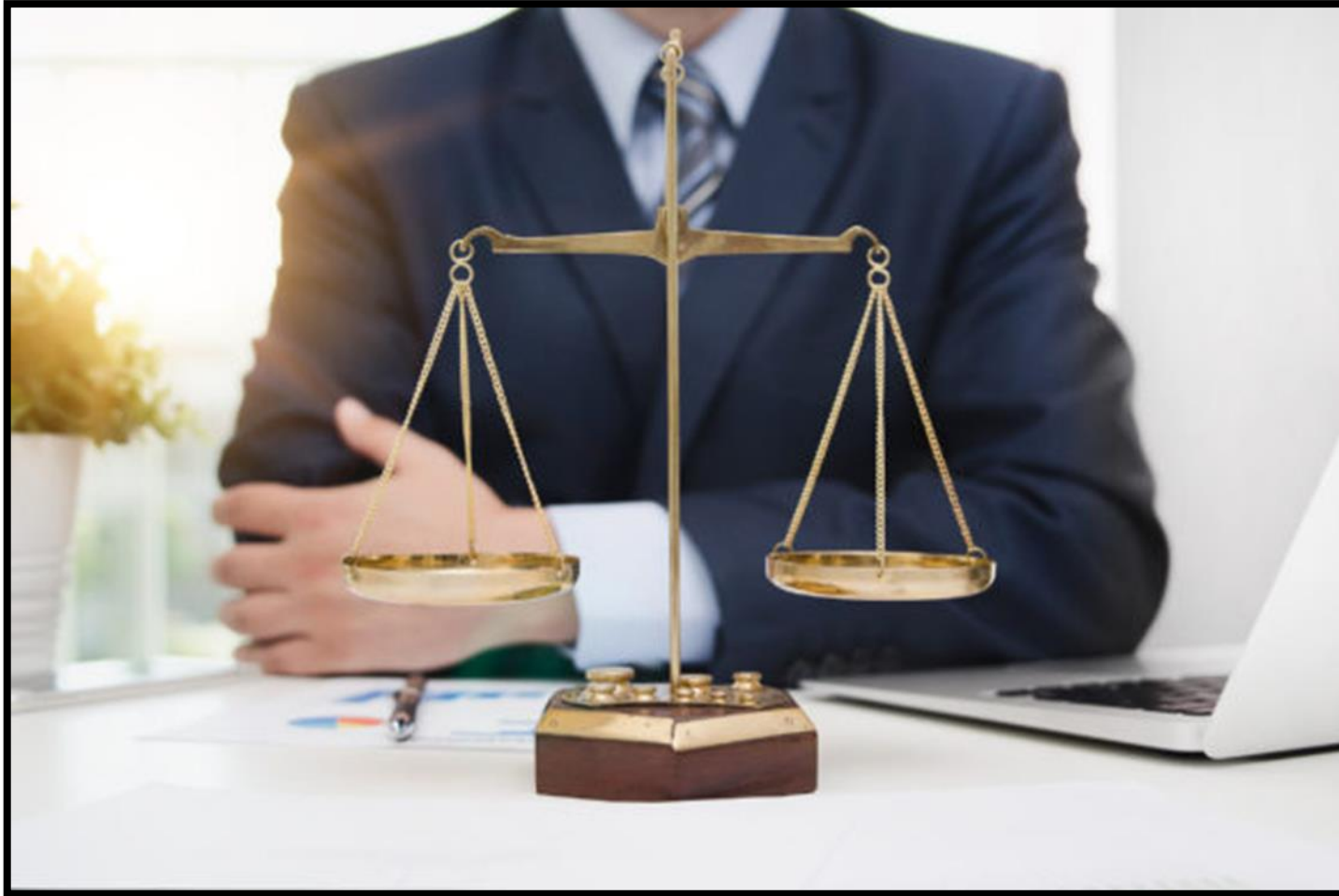
Product defects and defenses



Defenses to liability:

- State of the art or development risks - when producers have complied with state of technical and scientific knowledge.
- Product recall - when producers have conducted voluntary recall.
- Disclaimer of Liability- when disclaimer of liability is disclosed before purchase.

Product defects and defenses



Defenses to liability:

- Statutory Limitations - when the claim has been filed certain years after date of purchase.
- Compliance with other laws - when defect and harm arose due to compliance with mandatory standards set by the government.

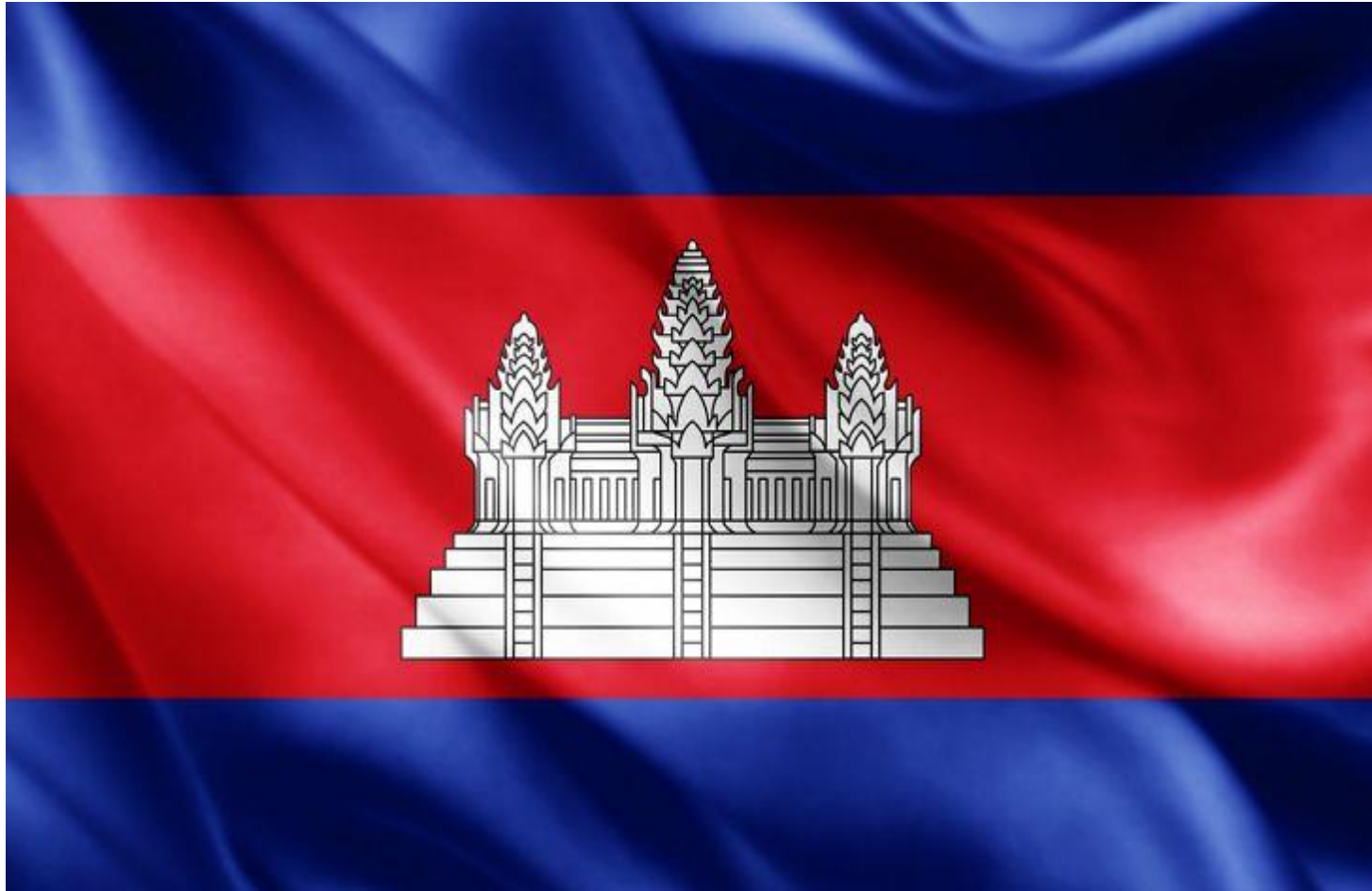
Product defects and defenses



Defenses to liability:

- Consumer-assumed risk, contributory negligence, product misuse - when consumer:
 - Negligently failed to discover the defect of the product.
 - Used the product even after discovery of the defect.
 - Used the product in a manner that could not have been foreseeable by the producer.

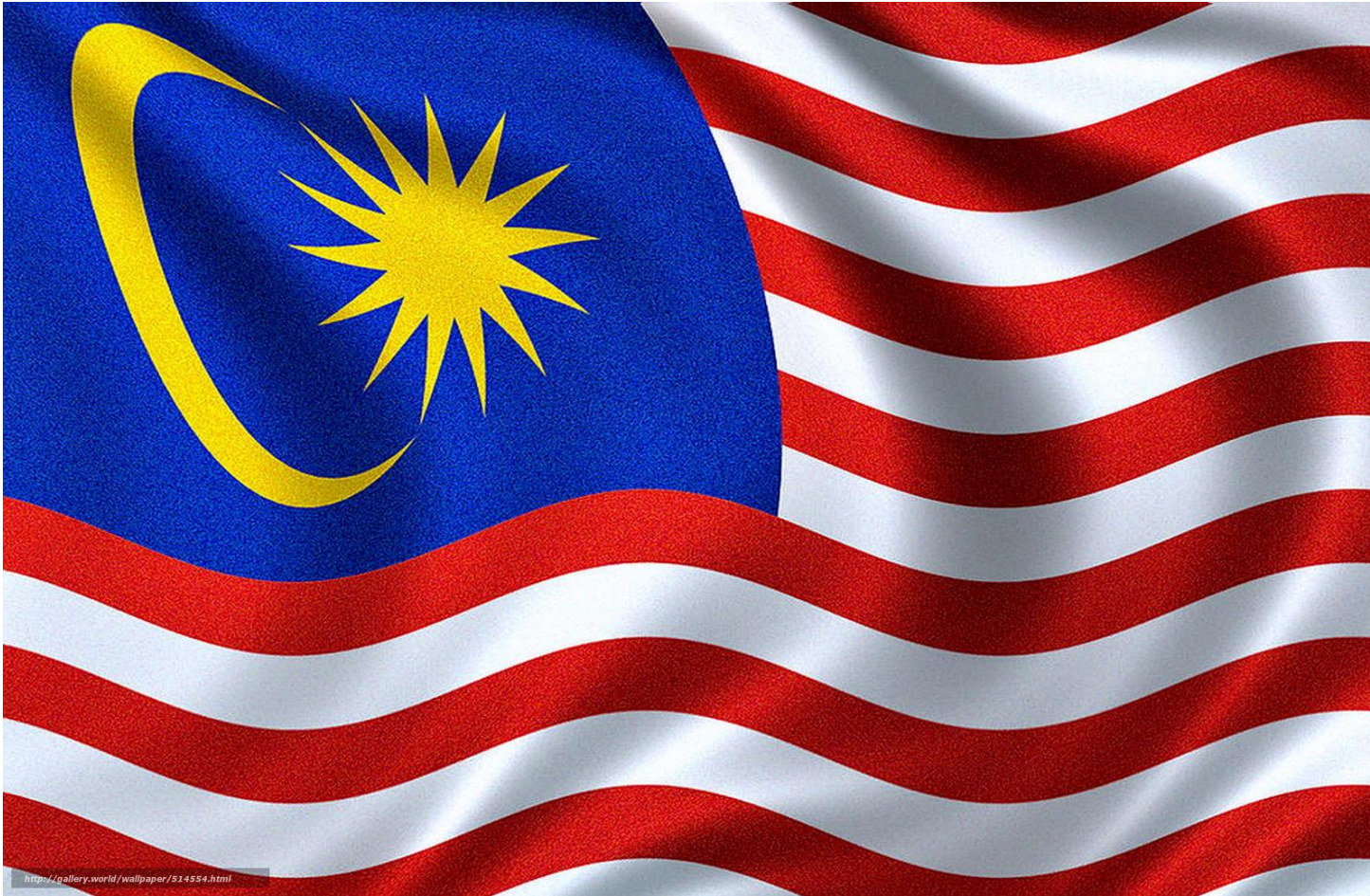
Scope of compensable damages and other incentives to claims



In Cambodia, plaintiffs can claim for:

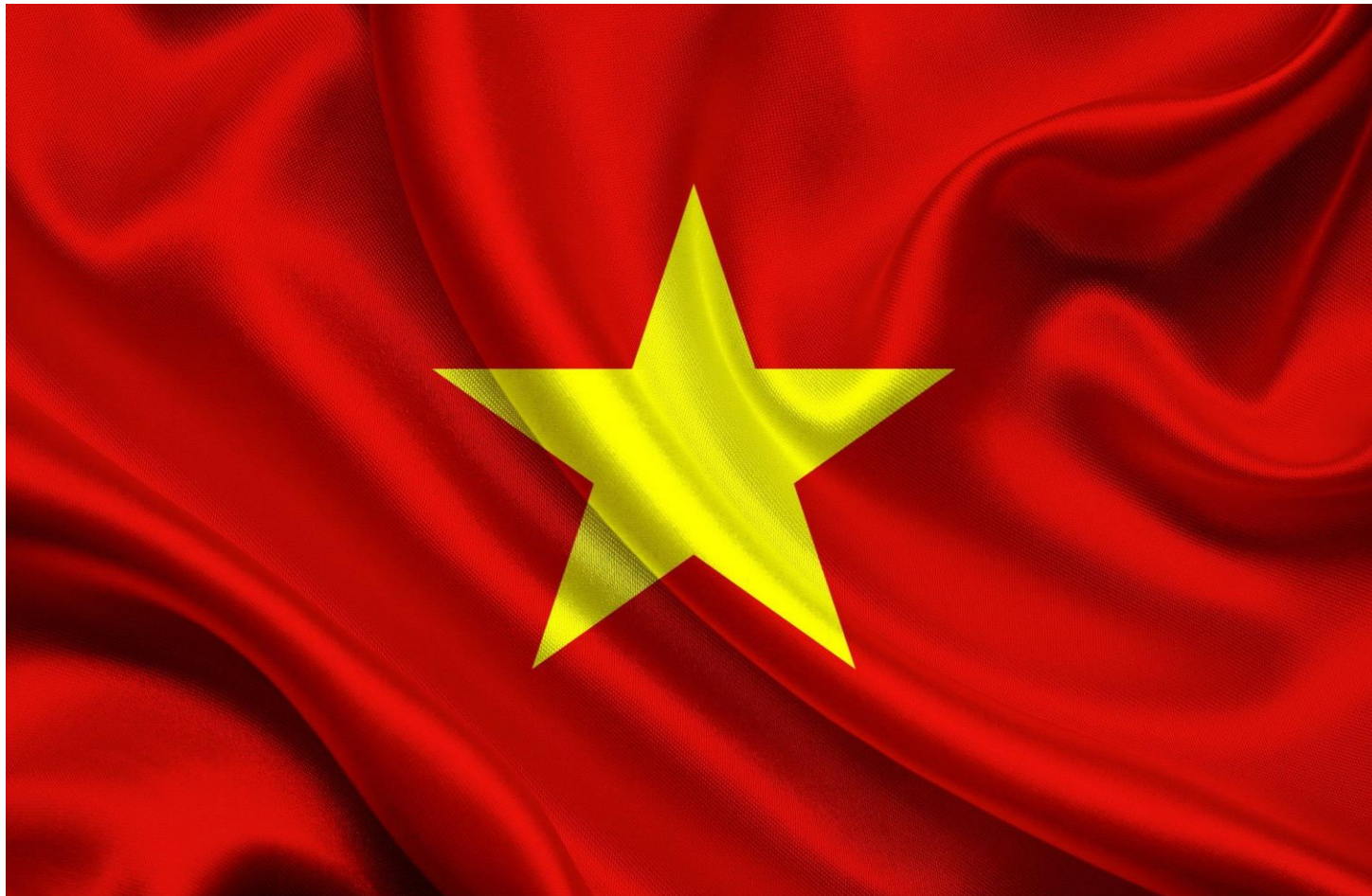
- Personal injury
- All forms of consequential property loss

Scope of compensable damages and other incentives to claims



- In Malaysia, plaintiffs can be awarded for:
 - Personal injury and damage to property.
 - All types of consequential damages caused by lack of acceptable quality in a product.
 - Business losses caused by unsafe products.

Scope of compensable damages and other incentives to claims



- In Vietnam:
 - Consumers can claim compensations for damages by defective products with regard to life, health, and assets.

Scope of compensable damages and other incentives to claims



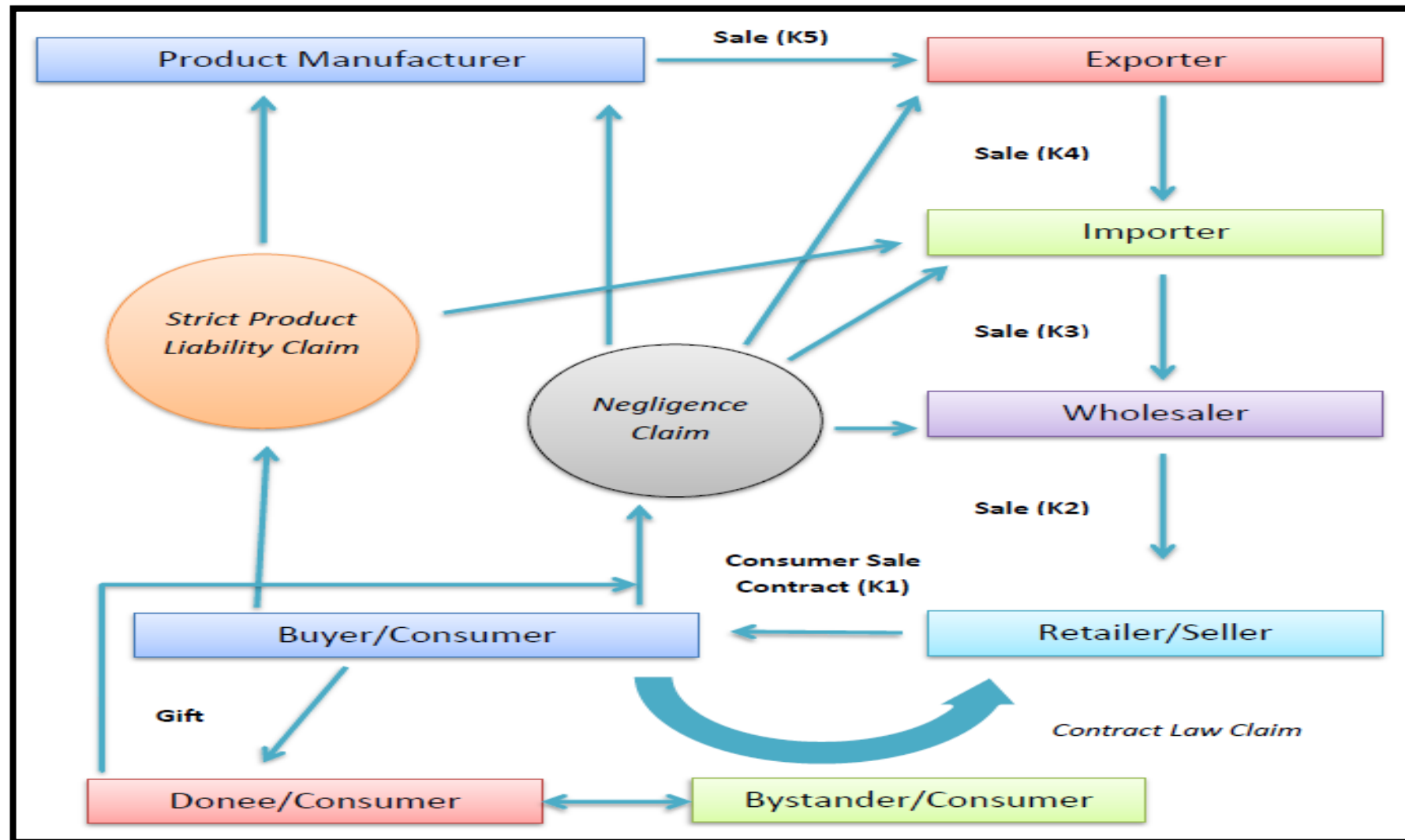
- In Thailand:
 - Additional damages can be awarded to plaintiffs, similarly to laws in Taiwan and China.
 - Government's Consumer Protection Committee, or NGOs it certifies, can bring representative suits on behalf of harmed consumers.

Scope of compensable damages and other incentives to claims



- In Singapore, the "Lemon Law" for defective products, provides:
 - Claims against direct sellers not against manufacturers without contractual relationship with consumers.

Consumer – Supplier Relationship



Session Assessment



- How will you explain private law rights and how consumer contract law encourages direct sellers to deal in safe products to the regulatory bodies and consumers?
- What have you learned about the different categories of product safety defects, defenses and scope of claimable damages?



Product Safety and Labeling

Session 3 – Pre-Market Interventions / Protection



Session topics / Outline

- General product safety requirements
- Product safety standards and legislations
- Labeling laws
- Regulations, regulators, and the CPA at the pre-market stage

General product safety requirements



Public authorities could take action **BEFORE** products are put in circulation to ensure consumer safety.

General product safety requirements



It is the responsibility of producers to supply reasonably safe products, either free of risks or assures minimum risk.

General product safety requirements



How to determine whether the producer has met this legal requirement: (The law of Malaysia provide for certain aspects for the products' features to be judged against.)

- The manner and purpose of marketing
- The packaging
- The use of any mark
- The instructions or warnings

General product safety requirements



Public law sanctions for failing to meet requirements:

- Warning
- Fines
- License Suspensions
- Recalls
- Bans

General product safety requirements



AMS Product Safety Requirements:

- Cambodia's Law on Management of Quality and Safety Products and Services:
 - Requires suppliers to obtain authorization prior to circulation of products.
 - Frees suppliers from liabilities in pre-approved products.

General product safety requirements



AMS Product Safety Requirements:

- Malaysia's Consumer Protection Act
 - For pre-approved product, the supplier may not be held liable for circulating an unsafe product.

General product safety requirements



AMS Product Safety Requirements:

- Indonesia's Consumer Protection Law
 - Prohibits suppliers from trading defective and used goods without providing information.

General product safety requirements



AMS Product Safety Requirements:

- Singapore requires all consumer goods to meet international (or otherwise national or regional) standards.

Specific Product Standards

New Federal Requirements



In the absence of general safety requirement, the Consumer Protection Agency sets minimum product safety standards to:

- Performance
- Composition
- Contents
- Manufacture
- Processing
- Design

Specific Product Standards



In the absence of general safety requirement, the Consumer Protection Agency sets minimum product safety standards to:

- Construction
- Packaging
- Markings
- Warnings/Instructions

Specific Product Standards



- Compliance with **mandatory product standards** generally protect producers from product liability lawsuits.
- Compliance with **voluntary standards** could be favorably taken into account by the court in such lawsuits, though does not exempt producers from product liability.

Specific Product Standards

Differences between general safety requirement and specific product standards

General Safety Requirement

- A catch-all or back-up provision that:
 - Takes a long time to finalize.
 - Is never being exhaustive due to rapid introduction of new products.
 - Would be ineffective if there is no monitoring for compliance.

Specific Product Standards

- Set by regulators as preventive measures.
- Designed as a means of setting standards for the future.
- Allow certain goods to be regulated more tightly and precisely, whether due to the goods' nature or the fact that it affects a more vulnerable class of consumers.

Specific Product Standards

Jurisdiction to set specific product standards

CPA has power to set minimum safety standards

- E.g. section 19 of Malaysia's Consumer Protection Act, however, it excludes jurisdiction over food and healthcare products.

CPA has no power to set minimum safety standards

- E.g. Vietnam's CPA can only be formally involved in safety-standard setting activities under other legislation.
- E.g. Thailand's CPA may be informally invited by relevant sectoral regulators in standard-setting activities related to post-market interventions.

General product safety requirements



Jurisdiction of the CPA to set product standards:

- The CPA may have some powers to set mandatory “information standards” due to powers to specify labels.
- If the CPA has the power of supporting consumer NGOs, it can indirectly get involved in standard-setting activities of other governmental agencies.

Labeling Laws

1 **Breakfast Cereals**

2 *Mango, Walnut and Royal Jelly*

3 **Nutrition Information**
Serving per package: (insert number of servings)
Serving size: g (or mL or other units as appropriate)

	Qty per Serving	Qty per 100g (or ml)
Energy	kJ (Cal)	kJ (Cal)
Protein	g	g
Total fat	g	g
Saturated fat	g	g
Carbohydrate	g	g
Sugar	g	g
Sodium	mg (mmol)	mg (mmol)
(insert any other nutrient or biologically active substance to be declared)	g, mg, ug (or other units as appropriate)	g, mg, ug (or other units as appropriate)

4 **INGREDIENTS:**
Whole grain wheat, corn, rolled oats, palm oil, aspartame, mango pieces [mango, mango juice, humectant (glycerol), tartrazine, natural mango flavour], royal jelly, walnuts, minerals (Calcium carbonate, iron sulphate), vitamins (Vitamin C, Vitamin B6, Folic acid, Vitamin B12) and spices.

5 **PHENYLKETONURICS:**
CONTAINS PHENYLALANINE

6 **WARNING - THE PRODUCT MAY NOT BE SUITABLE FOR ASTHMA ALLERGY SUFFERERS.**

7 **USE BY:** 01/12/2010

8 **Manufactured By:**
Brand Food Pte Ltd
18 Food Safety Road
Singapore 123456

9 **Product of Singapore**

10 **Low Fat**

11 **NET WEIGHT: 500g**

12 **Low Fat**

13 **Low Fat**

Purposes of labeling:

- Provide consumers with important information about the product.
- Inform consumers about the proper and safe use of the product.
- Enable comparison between similar products.
- Standardize information that should be available for similar categories of products.
- Facilitate international trade.

Labeling Laws

Types of Labeling

Mandatory Labeling

The law specifies the content of labels for specific products, such as:

- Food
- Medicines
- Children's toys
- Electrical goods
- Cosmetics
- Pesticides, etc.

Voluntary Labeling

- Schemes established by industry associations.
- Specifications by international agencies for specific product groups.

Labeling Laws

Mandatory Labeling

The following must appear on labels:

■ Contents

- nutritional data
- the ingredients/composition

■ Manufacturer's / Importer's details

- Name
- Address
- Contact details

Contains 6% Juice

Nutrition Facts	
Serving Size 8 fl oz (240mL) Diluted	
Servings Per Container 27	
Amount per Serving	
Calories 120	Calories from Fat 0
% Daily Value*	
Total Fat 0g	0%
Saturated Fat 0g	0%
Trans Fat 0g	
Cholesterol 0mg	0%
Sodium 32mg	1%
Total Carbohydrate 29g	10%
Sugars 29g	
Protein 0g	
Vitamin A 0%	• Vitamin C 100%
Calcium 0%	• Iron 0%
Potassium 0%	• Magnesium 0%

Not a significant source of dietary fiber.
*Percent Daily Values are based on a 2,000 calorie diet.

INGREDIENTS:
Sugar, Phil's Lemon Juice, Water, Grade A Honey

DISTRIBUTED By:
Pristine Brands LLC
Glendale CA 91203
Tel (818) 913-6785

MADE IN THE USA
Recycle Please
CA CRV, HI, ME 10¢

SiP Uses only 100% Natural Ingredients, with absolutely No artificial preservatives. A family favorite since 1978!

DIRECTIONS
Add one (1) part **SiP** to six (6) parts water. Serve Cold as a refreshing drink, or Hot as a soothing drink when you have a cold. Great as a sweetener for teas.

SHAKE WELL BEFORE USING

REFRIGERATE AFTER OPENING

BEST IF CONSUMED BY:
06/30/19

QUALITY GUARANTEED
If you are not completely satisfied with this product, return it for a refund or replacement
Comments or Questions?
☎ (818) 913-6785
🌐 www.sipcalamansi.com


8 50600 00201 6



Labeling Laws

Mandatory Labeling



■ Dates

- Date of manufacture
- Shelf life dating or 'display until' date
- 'Best before'
- Use by'
- 'Expiry date'

Labeling Laws

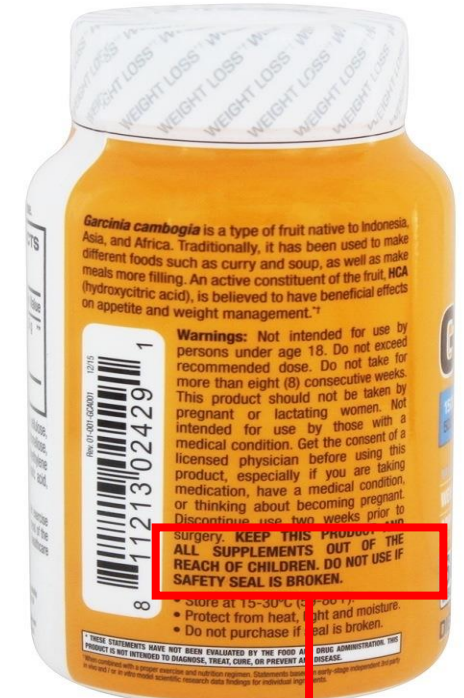
Mandatory Labeling



- Quantity



- Warnings



Labeling Laws

Mandatory Labeling

Contains 6% Juice

Nutrition Facts
Serving Size 8 fl oz (240mL) Diluted
Servings Per Container 27

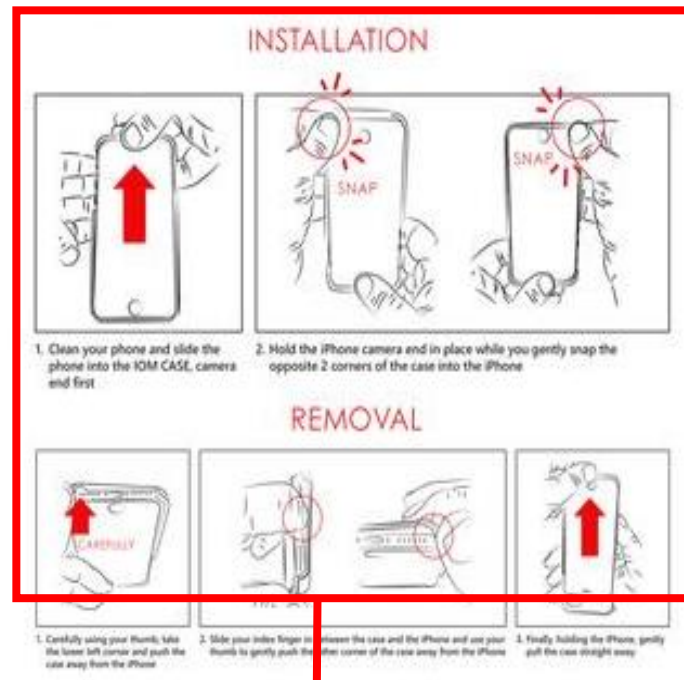
Amount per Serving	
Calories 120 Calories from Fat 0	
% Daily Value*	
Total Fat 0g	0%
Saturated Fat 0g	0%
Trans Fat 0g	
Cholesterol 0mg	0%
Sodium 32mg	1%
Total Carbohydrate 29g	10%
Sugars 29g	
Protein 0g	
Vitamin A 0%	Vitamin C 100%

SiP Uses only 100% Natural Ingredients, with absolutely No artificial preservatives. A family favorite since 1978!

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SHAKE WELL BEFORE USING
REFRIGERATE AFTER OPENING

BEST IF CONSUMED BY:
06/30/19



HAZARDOUS WASTE

FEDERAL LAW PROHIBITS IMPROPER DISPOSAL.
IF FOUND, CONTACT THE NEAREST POLICE OR PUBLIC SAFETY AUTHORITY OR THE U.S. ENVIRONMENTAL PROTECTION AGENCY.

GENERATOR'S INFORMATION:

NAME _____ PHONE _____

ADDRESS _____ CITY _____ STATE _____ ZIP _____

EPA ID NO. / MANIFEST TRACKING NO. /

ACCUMULATION _____ EPA WASTE NO. _____

START DATE _____

HAZARDOUS WASTE, LIQUID, N.O.S.

MA3082

D.O.T. PROPER SHIPPING NAME AND UN OR NA NO. WITH PREFIX

HANDLE WITH CARE!

- **Instructions for use** – Preparation, storage and preservation, installation, safe disposal of the product.

Labeling Laws

Mandatory Labeling



■ Marks

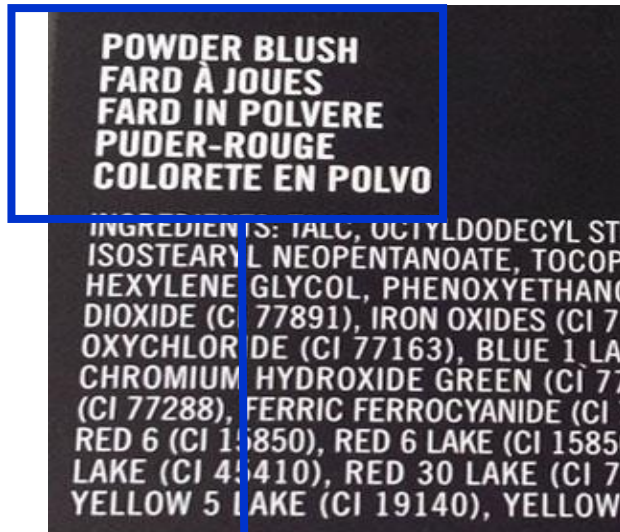
- eco-labels
- *halal* labels
- skull and bone symbol
- flame symbol



■ Price

Labeling Laws

Mandatory Labeling



- Language (local)



- Label size



- Conformity to national / international standards



- Eco-friendly information

Labeling Laws



International
Organization for
Standardization



Voluntary Labeling

- Provide information on significant product characteristics that are presented in standardized content and form.
- Bodies such as the International Standards Organization (ISO) have prescribed standards and symbols to be used on certain products.

Regulations, regulators, and the CPA in the post-market stage



Those responsible for conforming with labeling laws are:

- Actual manufacturers or importers (Sec 31 of Thailand Consumer Act, 1979).
- Other commercial suppliers in the supply chain.

Regulations, regulators, and the CPA in the post-market stage



Common offenses in labeling across AMS:

- Non-compliance with mandatory labeling requirements.
- Non-conformance with information provided on labels.

Regulations, regulators, and the CPA in the post-market stage



Common offenses in labeling:

- Falsified information on labels (e.g. the real expiry date is covered with false expiry date).
- False and misleading use of descriptive words so as not to conform with labeling laws.

Regulations, regulators, and the CPA in the post-market stage

Actions for Labeling Violations

Pre-Market Intervention (Proactive)

- Monitoring compliance through periodic market surveillance.
- On the spot inspections.
- Sample testing.
- Publishing guidelines to educate business and consumers.

Post-Market Intervention (Reactive)

- Direct actions when consumer file complaints.
- Immediate action during incidents of consumers getting injured.
- As may be required by law, confiscation, warning, fines, etc.

Session Assessment



- What have you learned about the importance of product safety requirements for the welfare of consumers?
- How can you apply these learnings in your work related to consumer protection?



Product Safety and Labeling

Session 4 – Post-Market Interventions / Protection



Session topics / Outline

- Main types of post market interventions
- Market Surveillance
- Investigations
- Public Warnings
- Bans
- Recalls
- Sanctions and Enforcements by Public Authorities

Post-Market Interventions



Public authorities could also take certain actions **AFTER** products have been put into circulation, to ensure consumer safety.

Post-Market Interventions



Main types of post-market interventions:

- Market surveillance
- Investigations
- Public warnings
- Product bans and recalls
- Imposition of sanctions

Market Surveillance



Market Surveillance

- Key function of CPA in most countries.
- Involves checking whether products in the market meet applicable safety requirements.
- Could be both proactive and reactive.

Market Surveillance



Market Surveillance Activities by CPA:

- Sampling and product testing to ensure products meet safety standards.
- Data collection and analysis regarding actual product-related injuries.

Market Surveillance



Market Surveillance Activities by CPA:

- Cooperation with third-party certifiers, or disclosure requirements for third-party certifiers.
- Cooperation with insurance companies.

Investigations



Investigations usually involve obtaining evidence about consumer protect safety violations.

Investigative actions by CPA:

- Entering business premises and seizing documents related to unsafe products.

Investigations



Investigative actions by CPA:

- Ordering suppliers of suspected unsafe products to conduct tests and then report results.
- Issuing private “stop selling” letter to a supplier found to be putting unsafe product in the market.

Public Warnings



- Consumer Protection laws allow the CPA to issue public warnings about unsafe products (found out after an investigation).
- **Conditions for issuing public warnings:**
 - Investigations and testing have to be conducted first.

Bans



- The CPA in most AMS have the power to ban all future supply of unsafe products.
- **AMS laws regarding bans:**
 - Art 5(1) of Myanmar's Consumer Protection Law limits bans to “*informing the relevant departments and organizations to prohibit goods which are hazardous and not fit for consumption*”.

Bans



- **AMS laws regarding bans:**
 - Article 10 of the Consumers Act **1993** in the Philippines - CPA must first give public notice and allow hearings on whether or not a product found to be harmful needs a ban.

Product Recalls



- The CPA has power to direct removal of unsafe products from the market place.
- Remove disputed goods from the market for a nominated period or number of days (e.g. Consumer Dispute Settlement Body – Myanmar Consumer Protection Law, 2014).

Product Recalls

Types of Product Recalls

Voluntary Product Recalls

- Quite common across AMS.
- Consumer protection laws could require suppliers to notify regulators if and when they conduct voluntary recalls (i.e. disclosure requirement).

Mandatory Product Recalls

- May be ordered by the CPA.
- It might be useful for the CPA to publish guidelines which set out their expectations and recommendations for conducting successful recalls.

Sanctions and enforcements by Public Authorities



Consumer protection statutes usually give powers to CPA to *sanction* suppliers who:

- Violate requirements to supply products that meet general safety standards or to affix proper labels.
- Continue to trade in banned or recalled goods.

Sanctions and enforcements by Public Authorities

A person in a dark suit and striped tie is pointing their right index finger towards the word "SANCTIONS". The word is displayed in large, white, bold, sans-serif capital letters on a dark blue background. A bright blue horizontal light streak passes behind the word. The background of the entire slide features abstract curved lines in yellow, blue, and red at the top.

SANCTIONS

Regulators are encouraged to apply lesser sanctions initially, such as:

- Warnings
- Administrative sanctions (e.g. court-enforced undertakings)
- Mediated settlements

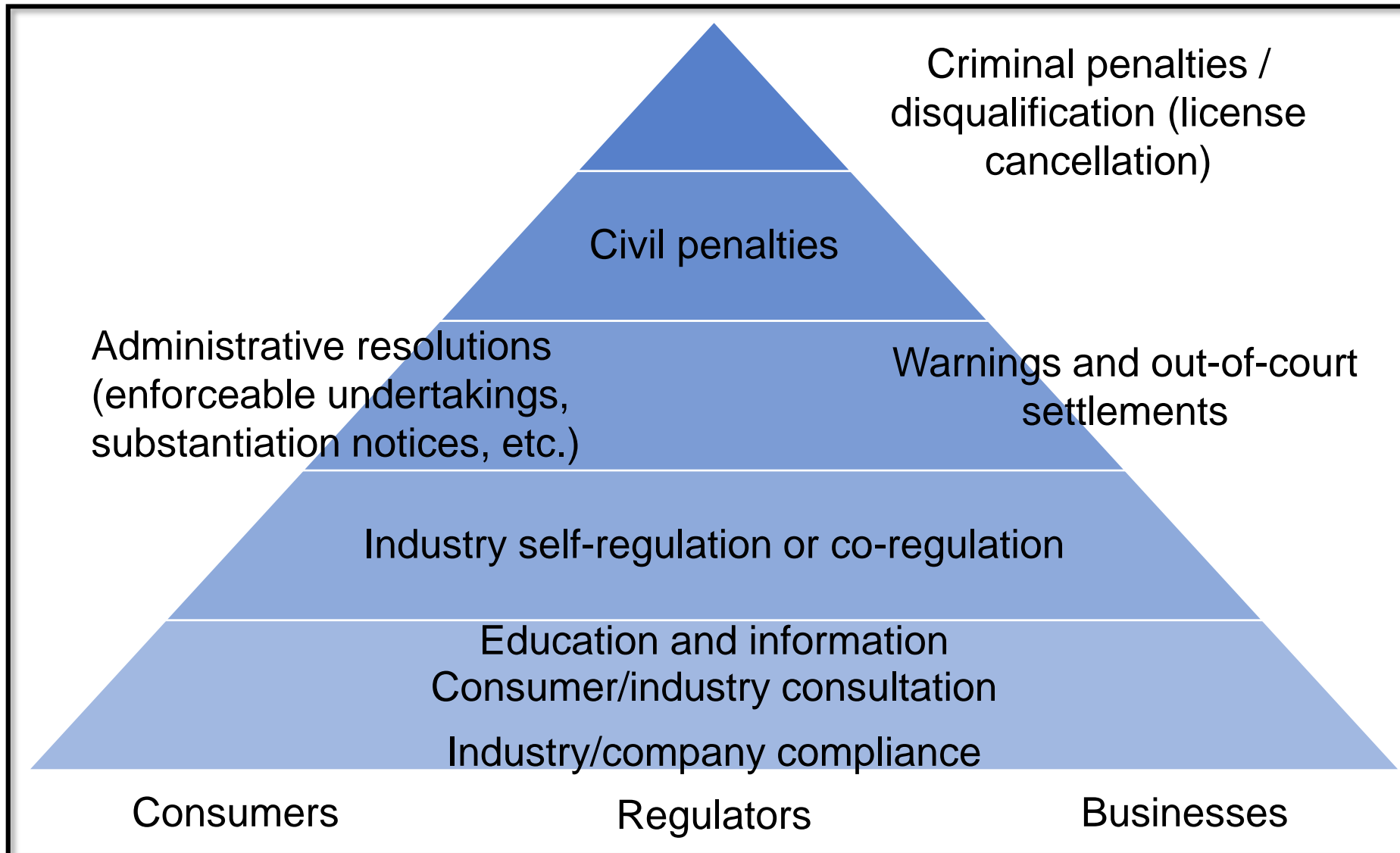
Sanctions and enforcements by Public Authorities



But stronger sanctions if suppliers still fail to comply, such as:

- Large civil penalties or fines
- Criminal fines
- Cancellations of business licenses

Regulatory Enforcement Pyramid



Sanctions and enforcements by Public Authorities



Regulators need to ensure that they:

- Develop avenues for collaboration on safety issues.
- Have legislative powers to implement increasingly severe sanctions for continued violations.
- Have the financial and human resources to monitor compliance and pursue sanctions for non-compliance.

Session Assessment



- What have you learned about the different ways by which CPA and public authorities investigate suppliers being subject to post market interventions?
- How can you apply these learnings in your work related to consumer protection?



Product Safety and Labeling

Session 5 –

Redress Mechanisms



Session topics / Outline

- Redress Models with their corresponding approaches / techniques
- Management and communication tools of the Consumer Protection Agency

Redress models and their corresponding approaches/techniques



Redress mechanisms are the different approaches to the citizens' rights to petition the government to address a particular grievance for services of professional that result in injury and loss.

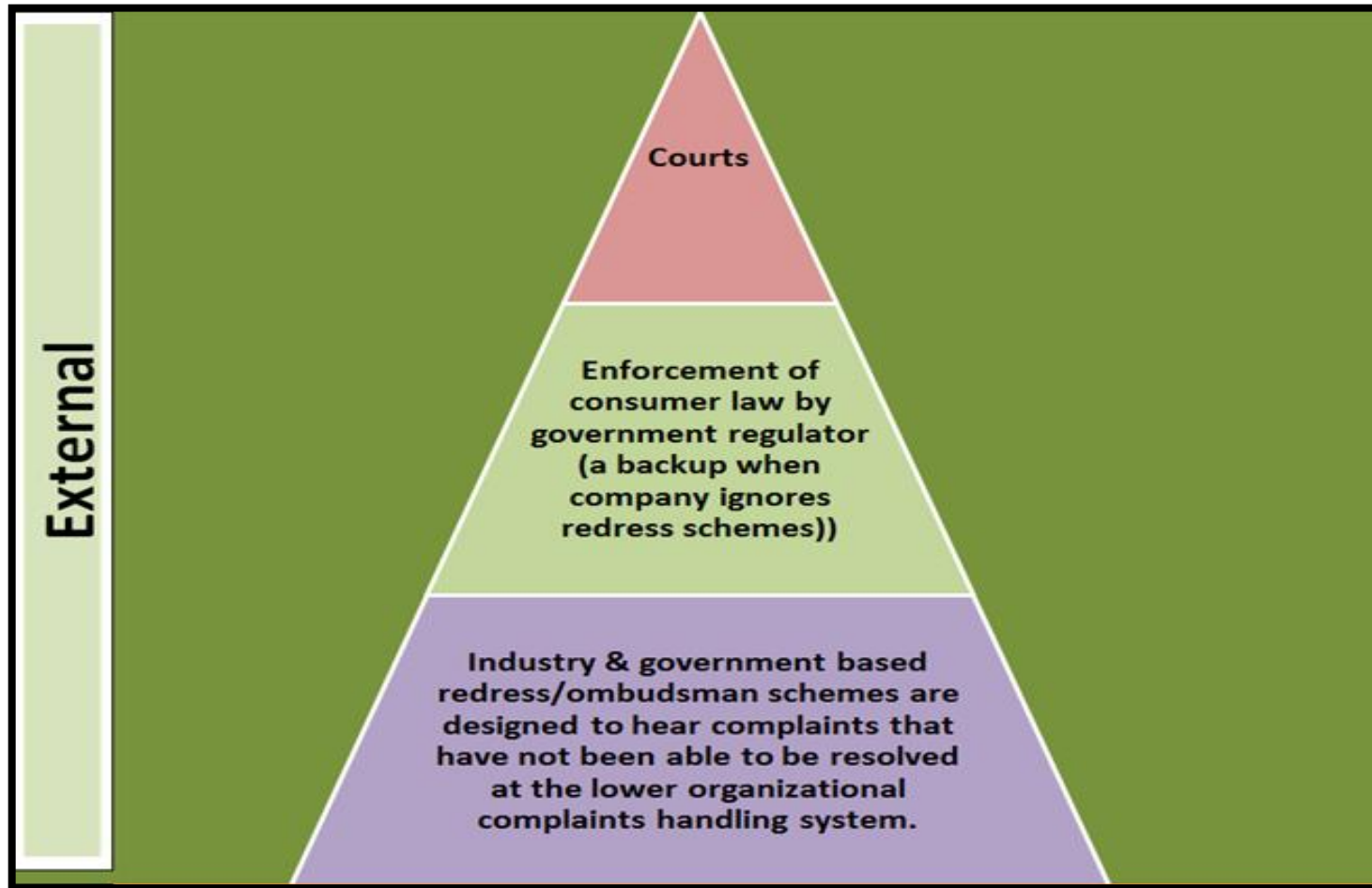
Redress models and their corresponding approaches/techniques



Model 1: Internal complaint-handling system

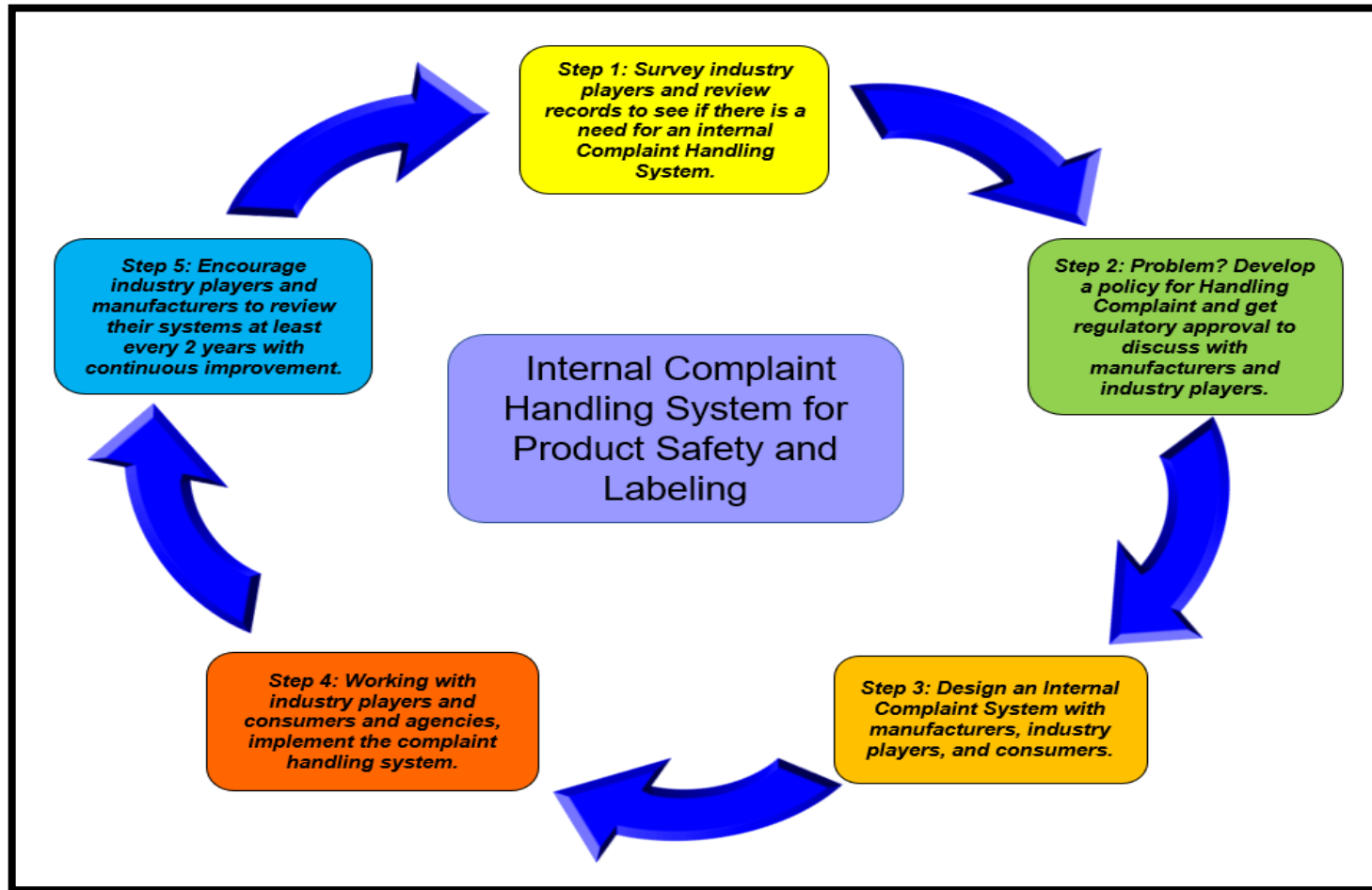
- Implemented by businesses and government agencies.
- Embodies the principles and features of complaint handling.
- Voluntary or required by law
- Appropriate for organizations of all sizes.
- Guidance in implementation can be found in international Standard ISO 10002.

Complaint and redress pyramid



Internal complaint handling systems and external consumer redress schemes

Redress models and their corresponding approaches/techniques



Model 1: Internal complaint-handling system

Step 1: Survey if system is needed

Step 2: Develop policy for discussion

Step 3: Design system

Step 4: Implement system

Step 5: Review system every 2 years and improve continuously

Redress models and their corresponding approaches/techniques



Model 2: Self-regulatory external redress schemes

- Set up with little formality.
- Usually used in the early stages of consumer policy and law implementation.
- Tend to have relatively low standards of performance.
- Are usually not enforceable, unless with contract.

Redress models and their corresponding approaches/techniques



Model 2: Self-regulatory external redress schemes

- No stakeholder engagement particularly with consumers and governments.
- Generally held in low regard by consumers and some governments.
- Interim step in developing a consumer redress scheme.

Redress models and their corresponding approaches/techniques



Model 3: Statutory complaint bodies

- Broad jurisdiction, usually cover most economic activities.
- Some are established to deal with a specific industry or practice.

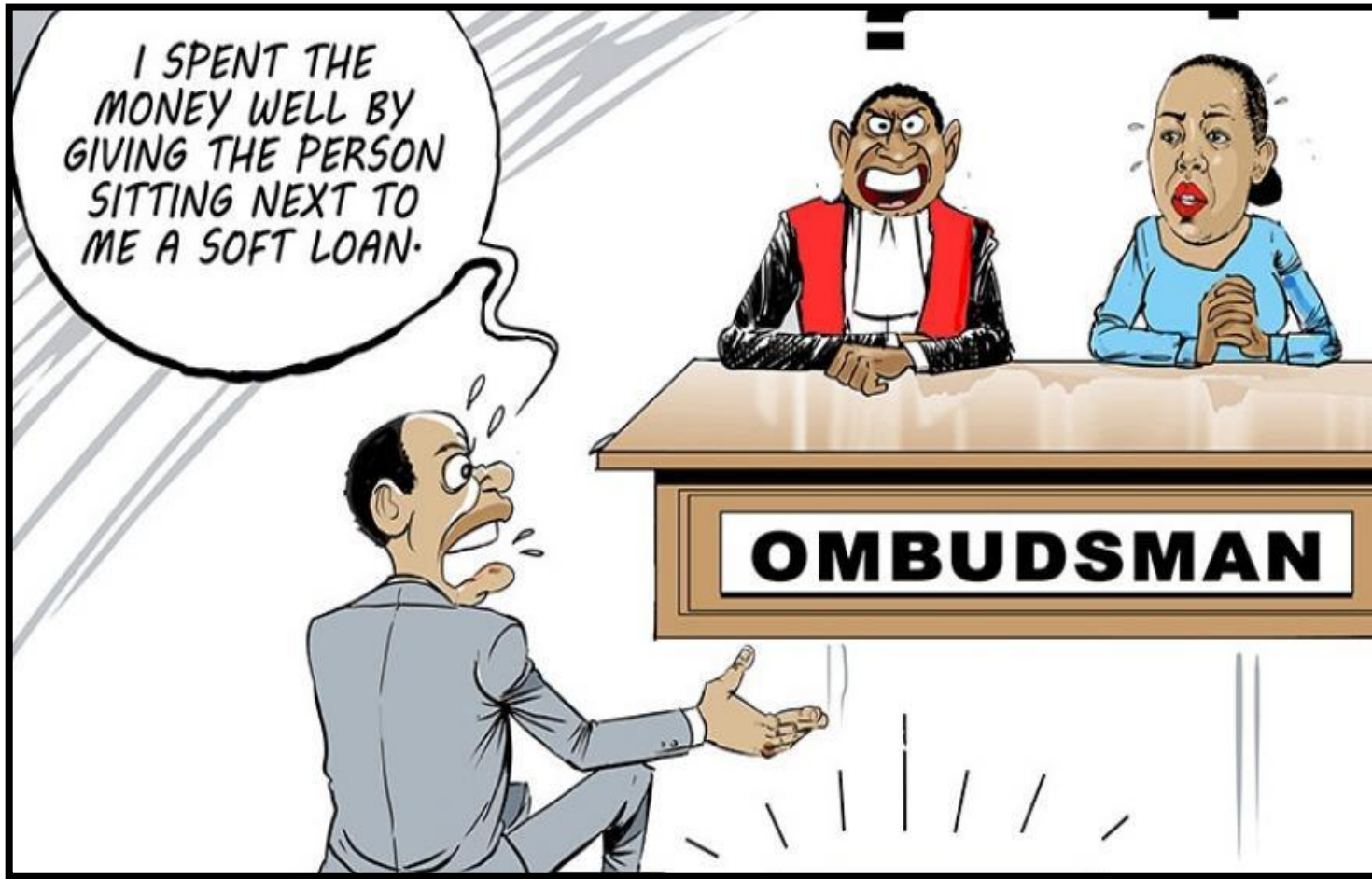
Redress models and their corresponding approaches/techniques



Model 3: Statutory complaint bodies

- Generally, part of a larger government agency responsible for policy and law enforcement.
- May be linked to industry regulators and small claims courts.

Redress models and their corresponding approaches/techniques



Model 4: Public-sector redress body (also known as Ombudsman)

- Involves contractors working in behalf of government but with no enforcement power.
- May include anti-corruption and human rights functions.
- Can deal with systemic issues of poor administration.

Redress models and their corresponding approaches/techniques



Model 5: Small claims courts or tribunals

- Designed for swift and inexpensive redress for consumers.
- Most do not permit legal representation.
- Require mediation prior to adjudication.

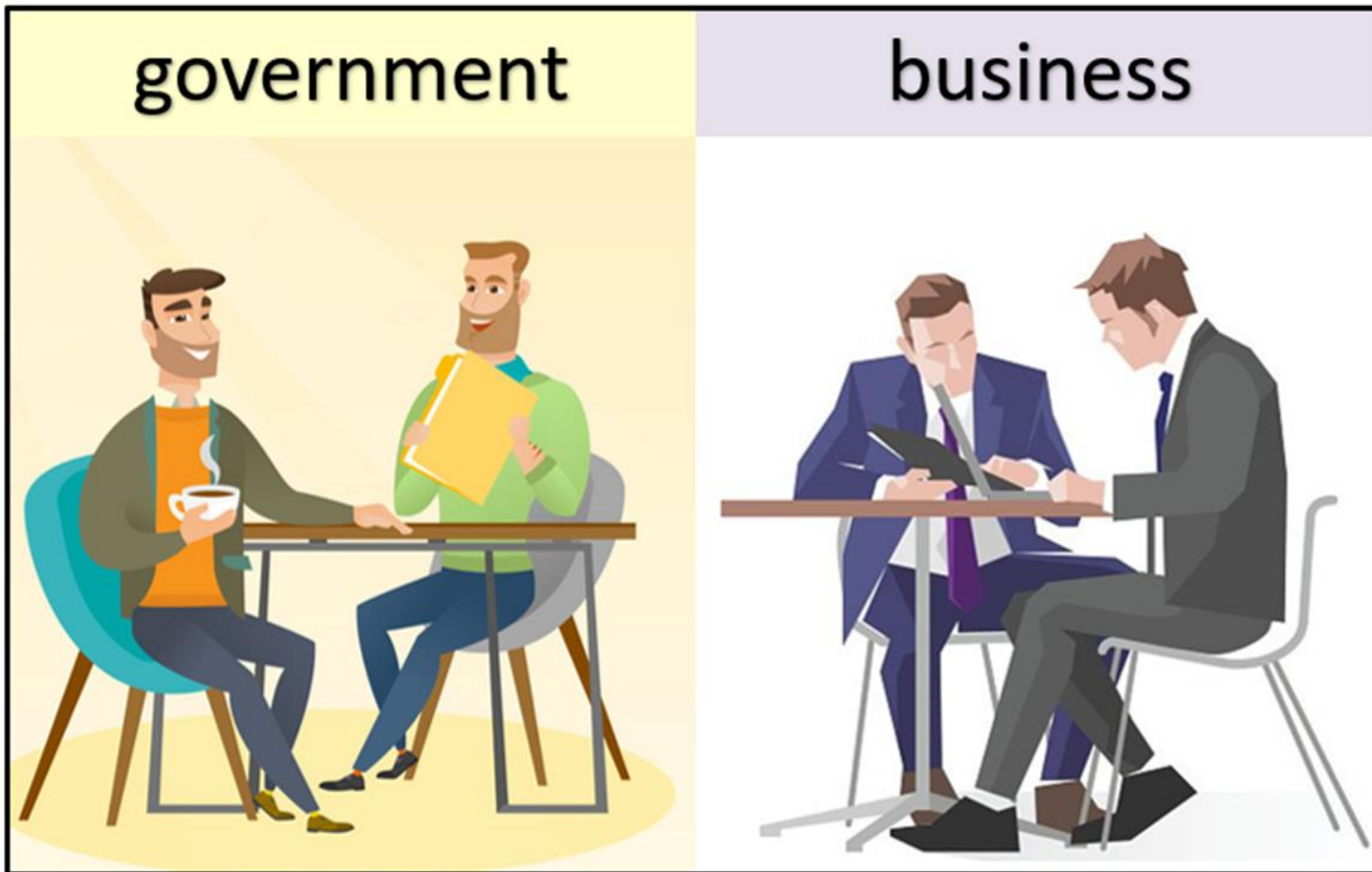
Redress models and their corresponding approaches/techniques



Model 5: Small claims courts or tribunals

- Employ Alternative Dispute Resolution (ADR) techniques.
- Judgments are enforceable in the courts.

Redress models and their corresponding approaches/techniques



Model 6: Private organization to improve consumer complaint system

- Made up of representatives from businesses and government agencies.

Redress models and their corresponding approaches/techniques

Model 6: Private organization to improve consumer complaint system



- Provides best practice training on consumer support functions (e.g. complaints handling).



- Requires senior management support.

Redress models and their corresponding approaches/techniques



Model 6: Private organization to improve consumer complaint system

- Highly effective in countries with strong domestic and international networks.
- Consistent with building a responsible and responsive business sector.

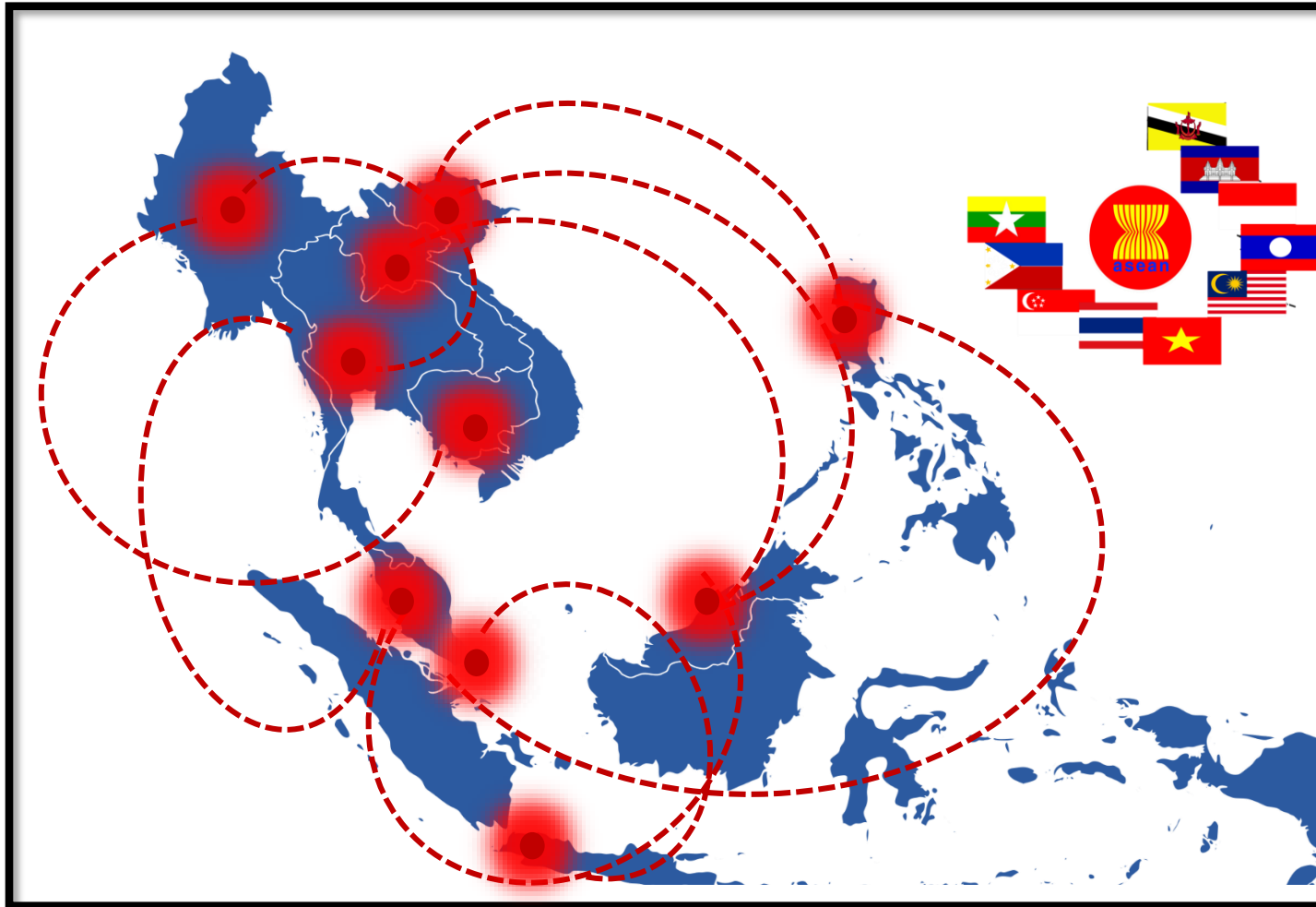
Redress models and their corresponding approaches/techniques



Model 7: Cross-border redress

- ASEAN regional facility for cross-border complaints.
- Employs strategic approach toward consumer protection.

Redress models and their corresponding approaches/techniques



Model 7: Cross-border Redress

- Contains policy measures and detailed priority actions, including development of:
 - Notification and information exchange mechanism by 2010

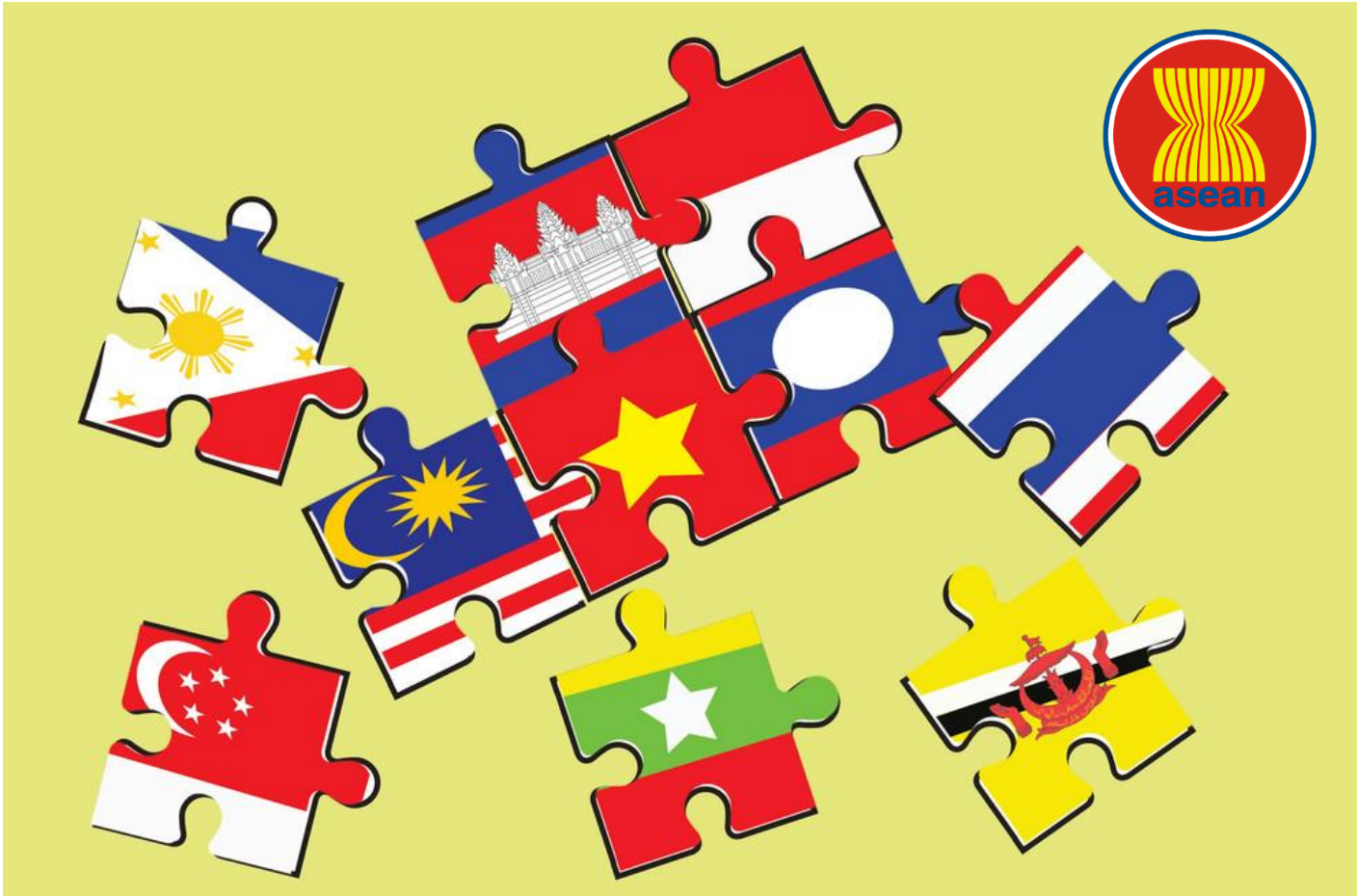
Redress models and their corresponding approaches/techniques



Model 7: Cross-border Redress

- Contains policy measures and detailed priority actions, including development of:
 - Cross-border consumer redress mechanism by 2015
 - Strategic roadmap for capacity-building by 2010

Redress models and their corresponding approaches/techniques



Cross-border access to justice

To date, no single model suits all AMS. Guidelines therefore, should be taken to assess the current consumer protection framework of **each** ASEAN member state.

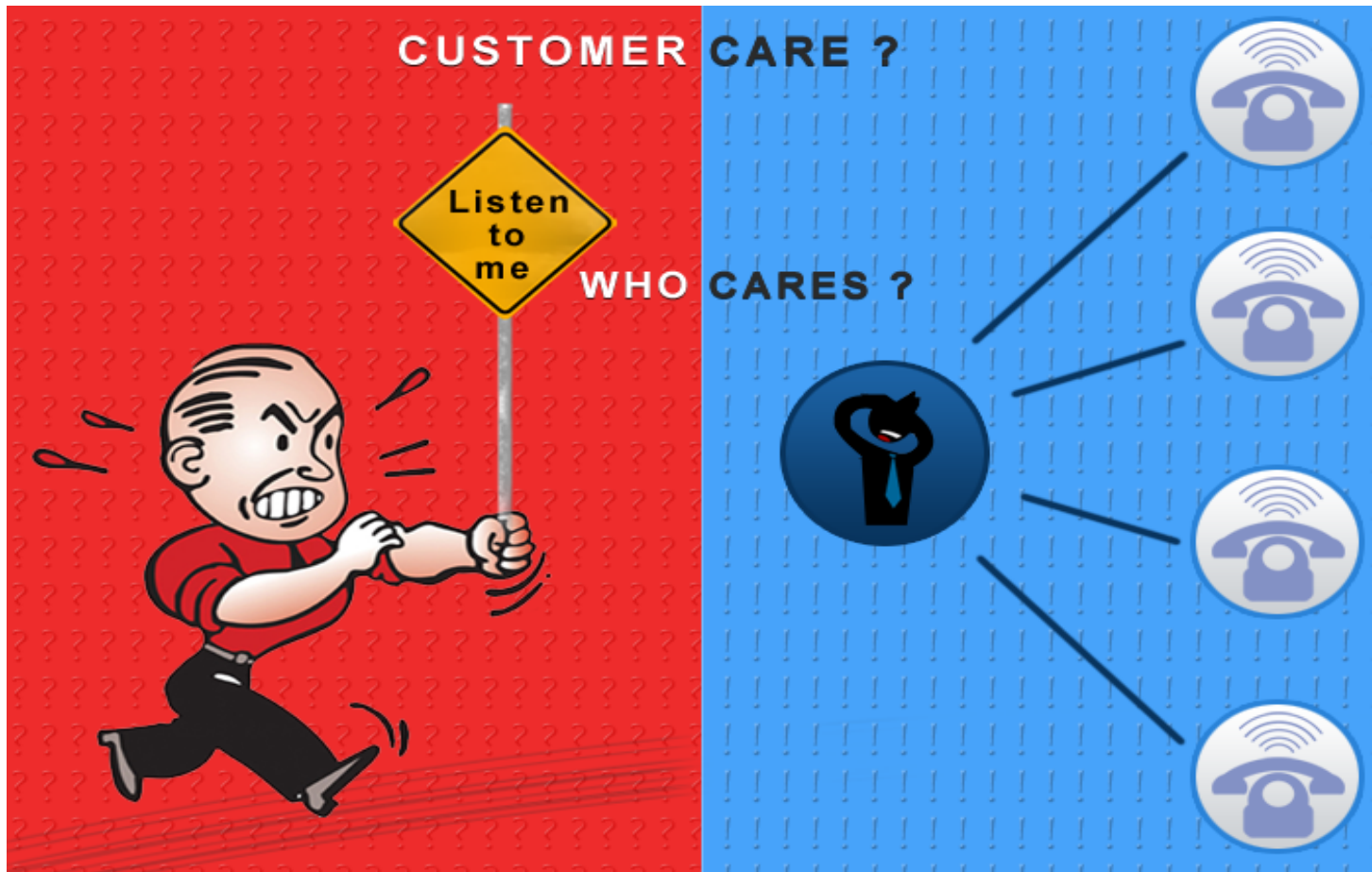
Redress models and their corresponding approaches/techniques



Considerations to determine the stage of development for implementation:

- Little or no measure for consumer redress.
- Basic professional admission/striking off provisions for gross negligence or dishonesty.

Redress models and their corresponding approaches/techniques



- Agreement within the jurisdiction on the need to respond to consumer complaints against health care providers.
- Growing consumer pressure with the establishment of complaint and redress schemes.
- Professional associations' involvement in complaint and redress schemes.

Redress models and their corresponding approaches/techniques



- Government intervention or threats to establish consumer redress schemes.
- Creation of industry ombudsman or other industry-based schemes.
- Best-practice complaint systems and redress schemes.

Redress models and their corresponding approaches/techniques



The seven models incorporate the approaches of:

- Alternative Dispute Resolution (ADR)
- **Ombudsman**
- Arbitration
- Mediation
- Group actions / Class suits
- Cross-border access to justice

Management and Communication Tools of CPA



Consumer Awareness and Education

Key role and responsibility of CPA and other sector regulators:

- Help consumer become aware of their rights, including with respect to product safety.

Management and Communication

Tools of CPA



Consumer Awareness and Education

- Consumers should be informed of:
 - Their rights to safety
 - Available remedies if they encounter unsafe products
 - How to access remedies
 - Where to go for further advice

Management and Communication Tools of CPA



Consumer Awareness and Education

- Information dissemination targeting specific groups:
 - The general public
 - Women and homemakers
 - Students
 - Rural communities

Management and Communication Tools of CPA



Tools for information dissemination:

- Website and social media
- Media campaigns and public events
- Printed leaflets/booklets, etc.
- Partnership programs with Civil Society Organizations
- Toll-free consumer hotline
- Annual reports

Management and Communication Tools of CPA



IT-Based Consumer Complaints Registration System

An efficient and effective means of complaint handling should at the very least have:

- Basic information on common consumer complaint areas

Management and Communication Tools of CPA



- Categorized consumer complaints according to areas with reference number
- Standard letters with blanks to fill in information for different types of complaints
- Inter-agency contact information to enable easy referral

Management and Communication Tools of CPA



Inter-Agency Collaboration

- Coordination among central and local CPA authorities is a major challenge in countries with new consumer protection law regimes.

Management and Communication Tools of CPA

Inter-Agency Collaboration



- Major challenges exists in countries that have limited financial resources.



- Major challenges exists in countries with permitted high levels of decentralization.

Management and Communication Tools of CPA



Inter-Agency Collaboration

- Collaboration with related agencies, courts, and other concerned organizations.
- Collaboration with regional and international bodies.

Management and Communication

Tools of CPA

Converting Consumer Complaints to Consumer Policy



Retrieve data from
registration system



Analyse data and
write report



Propose policy action
from data analysis

Session Assessment



- Share the three most important learnings you have gained as a result of this Session.
- How can you apply these learnings in your work related to consumer protection?