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**ASEAN AUSTRALIA DEVELOPMENT COOPERATION PROGRAM
PHASE II (AADCP)**

ROADMAPPING CAPACITY BUILDING NEEDS IN CONSUMER PROTECTION IN ASEAN

Consumers International

REGIONAL REPORT (FINAL)

(Revised 15 June 2011)

“The final report was prepared by the Consumers International Kuala Lumpur Office (“CIKL”), a not-for-profit company limited by guarantee, as the approved Contractor on the *Roadmapping Capacity Building Needs in Consumer Protection in ASEAN* (“Project”) under the Special Services Agreement signed by and between the ASEAN Secretariat and the CIKL on 9 August 2010. The views expressed in this report do not necessarily represent or are not necessarily endorsed by the relevant agencies in ASEAN Member States. Mention of specific entities, departments and/or government agencies do not necessarily imply endorsement of it by the relevant entities, departments, and/or government agencies of ASEAN Member States. The author of this report can be contacted at consint@ciroap.org.”

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ABSTRACT

This report presents the outcomes of an assessment of the capacity building needs in Consumer Protection in the ASEAN Member States with specific focus on six selected core consumer areas. The research project addressed gaps in both human and institutional capacities related to specific needs for improved effectiveness and long-term sustainability in dealing with consumer issues and consumer protection areas. One hundred and fourteen stakeholders in all ten ASEAN Member States completed a general survey. Information and data was supplemented with 112 Key Informant Interviews and 129 stakeholders in Roundtable Discussions. The findings suggested that there were limited exposures and activities related to consumer rights or consumer protection in the AMSs. A relatively high level of capacity building needs is required by all the relevant stakeholders in the AMSs, particularly technical assistance to overcome difficulties in implementing consumer protection activities and programmes due to inadequate laws, finances, human resources, inter-agency coordination and physical infrastructure and facilities to carry out consumer protection programmes. Specific technical assistance and support for developing and harmonising a principal Consumer Protection Act, consumer policy, and consumer protection master plan were identified as important areas for capacity building at regional levels. This report highlights human and institutional capacity gaps and recommendations for Consumer Protection agencies and organisations in the AMSs, through a proposed capacity building roadmap and best practices in consumer protection programme. In the short term, recommendations are made to focus on harmonising consumer protection framework in the region through the development of an ASEAN Regional Guidelines on Consumer Protection, Master Plan in all AMSs, along with developing a strong foundation for consumer protection by building awareness and educating consumers and relevant stakeholders, along with strengthening enforcement and redress mechanisms.

Keywords: Consumer protection, capacity building, complaints, redress mechanisms, best practices, ASEAN.

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ABBREVIATIONS

AADCP II	ASEAN Australia Development Cooperation Program Phase II
ACCCP	ASEAN Coordinating Committee in Consumer Protection
ACCP	ASEAN Committee on Consumer Protection
ACCSQ	ASEAN Consultative Committee on Standard and Quality
ADR	Alternative Disputes Resolution
AEC	ASEAN Economic Community
AEGFS	ASEAN Expert Group on Food Safety
AFTA	ASEAN Free Trade Agreement
AMS	ASEAN Member States
AOC	Actual Operating Context
ASEAN	Association of Southeast Asian Nations
ASEAN ISIS	ASEAN Institute of Strategic and International Studies
ASEC	ASEAN Secretariat
B2B	Business-to-business
B2C	Business-to-consumer
CAMCONTROL	Directorate-General of the Cambodia Import-Export Inspection and Fraud Repression, Cambodia.
CBD	Convention on Biological Diversity
CBL	Community Broadband Library
CCPID	Competition, Consumer Protection, and Intellectual Property Rights Division
CEP	Consumer Education Programme
CI	Consumers International
CIKL	Consumers International Kuala Lumpur
CMP	Consumer Master Plan
CP	Consumer Protection
CPA	Consumer Protection Act
CPC	Code of Professional Conduct
CSO	Civil Society Organisations
EU	European Union
FAO	Food and Agriculture Organisation-United Nations
FOC	Formal Operating Context
FOMCA	Federation of Malaysian Consumers Associations
FTA	Free Trade Agreement
GDP	Gross Domestic Product
GHS	Globally Harmonized System
GMO	Genetically Modified Organisms
GMP	Good Manufacturing Practice
GS	General Survey
ICT	Information and Communication Technology
IDRC	International Development Research Centre
IOCU	International Organisation of Consumers Unions

ISO	International Organisation for Standardization
KII	Key Informant Interviews
MC	Mark of Conformity
MCMC	Malaysian Communications and Multimedia Commission
MDTCC	Ministry of Domestic Trade, Cooperatives and Consumerism
MoH	Ministry of Health
MSQH	Malaysian Society for Quality in Health
n.d	Not dated
NA	Not Available
NGO	Non-Governmental Organisation
OECD	Organisation for Economic Co-operation and Development
PIS	Phone & Internet Services
RAPEX	Rapid Alert System & Information Exchange
RTD	Roundtable Discussion
SEACC	Southeast Asian Consumer Council
SEA-CCRC	South East Asian Countries Consumer Redress Centre
SEA-CPAN	Southeast Asian Consumer Protection Agencies Network
SEOM	Senior Economic Officials Meeting
SME	Small Medium Enterprise
SPSS	Statistical Package of Social Sciences
TV	Television
UN	United Nations
UNDP	United Nations Development Programme
US-FTC	United States Federal Trade Commission
WG	Working Group
WTO	World Trade Organisation

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EXECUTIVE SUMMARY

ASEAN leaders have declared that the ASEAN Economic Community (AEC) shall aim for regional economic integration by 2015. As stated in the Roadmap for an ASEAN Community 2009-2015, the enhancement of consumer protection is among the strategic areas identified under the AEC Blueprint.

The AEC aims to be a competitive and dynamic region which allows for free flow of goods, services and investments, and freer flow of capital and skilled workers by 2015. Tariff and non-tariff barriers are to be gradually eliminated. The AEC observes open regionalism and as such, ASEAN negotiates joint trade agreements with external partners and bilateral trade agreements.

Consumer protection is, therefore, a priority agenda of the AEC that is committed to equitable development and a single market in a competitive business environment. However, the ASEAN Member States (AMSs) are at different stages of political, social and economic development which creates some major hurdles in achieving uniform levels of consumer protection by 2015. A globalised and liberalised economic environment poses further challenges for consumers, policy makers, regulators and businesses in dealing with emerging phenomena such as new market trends, digitalised transactions, the impact of climate change, varying consumer demographics and growing cross-border activities. To achieve an equitable level of protection for consumers, the AMSs require a range of strategic capacity building measures. The main components of this consumer protection strategy include institutional structures, legislation, enforcement, human resource development, acquisition of expertise and skills and regional planning for harmonisation in a single market.

Study on Roadmapping Capacity Building Needs in Consumer Protection in ASEAN

This regional report provides a situational analysis on the state of consumer protection in AMSs, and proposes a roadmap for capacity building in consumer protection. The situational analysis shows that as the economies of the AMSs enjoy healthy growth, progress has been made in enhancing consumer protection in terms of governance, institutional development and programmes.

To identify the capacity building needs and measures, the ASEAN Australia Development Cooperation Program II (AACDP II) commissioned a study that consisted of a General Survey, Key Informant Interviews, Roundtable Discussions in the 10 AMSs and the ASEAN Committee on Consumer Protection Workshop 2010. The findings of the study assisted in assessing and prioritising needs for capacity building in consumer protection in selected areas in order to develop a Roadmap towards the project's objectives.

With dynamic growth and regional integration, consumers now have greater access to products and services. Further, the digital world is transforming the way consumers purchase and consume products and services.

There is a need to develop the technical capacity of government, business and civil society to understand and implement consumer policies, master plans and consumer protection and competition laws. Consumer protection agencies have to be equipped with new competencies to implement programmes and activities to address these concerns.

AMSs have achieved several milestones in the development of consumer protection laws such as a Consumer Protection Act or are in the process of enacting one. The AMSs are taking various measures to ensure that their consumer laws are reviewed and new laws enacted. Most of these laws are explicitly or implicitly based on the United Nations Guidelines for Consumer Protection 1985 (expanded in 1999).

To enhance consumer protection, the study identifies a number of capacity building needs: developing adequate consumer protection laws and regulations, effective and speedy redress mechanisms, better inter-agency coordination, improving safety standards for products and services, increasing the capacity of officials involved in consumer protection work, upgrading information dissemination on consumer protection issues, developing awareness and education programmes, establishing local consumer organisations, monitoring compliance of codes of conduct and research and development (R&D).

The Roadmap

The Roadmap for capacity building needs for consumer protection proposed in this regional report outlines a number of strategies, recommendations, actions and best practices where applicable for a comprehensive consumer protection regime that can rival the best in the developed economies. Among the proposals are a Strategic Plan for the ASEAN Consumer Protection Committee (ACCP), an ASEAN Consumer Policy, consumer master plans, harmonisation of domestic legislation, cross border laws and their enforcement, human resource development and regional facility for research and information sharing.

To enhance the consumer protection regime in ASEAN, regional policy guidelines needs to be developed that would match the level of protection enjoyed by consumers in exemplary developed countries. To this end, it is necessary to create an ASEAN regional mechanism for harmonising consumer policy in AMSs.

Appropriate legal frameworks need to be developed in order to evolve comprehensive consumer protection legislation. In addition, to complement the laws on consumer protection, self-regulatory mechanisms such as industry codes of conduct will help to ensure voluntary compliance and reduce the economic costs of regulation.

To raise the level of compliance with consumer protection laws and regulations, it is necessary to ensure that regulatory authorities are empowered to enforce the law through

the provision of resources and support. Enforcement must be complemented by a highly responsive, speedy and success-oriented consumer redress system supported by a punitive system to deter consumer-related offences and injuries.

The gaps in compliance, information, best practices and areas for strengthening implementation mechanisms were identified in six core areas of product safety and labelling, consumer credit and banking, phone and internet services and e-commerce, environment, healthcare and services as well as in professional services. Strategies, recommendations and actions for these core areas are formulated within the framework of the UN Consumer Protection Guidelines.

To protect consumers from harm, the **safety and labelling of products and services** must be made a priority agenda for consumer protection by establishing policy frameworks with the highest standards and through surveillance of consumer products and services to identify risks and injuries.

The policy should aim to produce a common product safety regime throughout ASEAN as consumers travel across borders for tourism, work and business and purchase goods and services across borders.

Consumer credit in the banking and non-banking services should work better for consumers by providing for financial inclusion, reducing unsustainable borrowings and ensuring that businesses treat customers fairly while aiming to be profitable. Regulations need to be reviewed and a reliable credit information system is required. Financial literacy programmes are needed for consumers to address issues such as over-indebtedness. Developments in information and communication technologies are contributing to the formation of a new kind of society where relationships, businesses and lifestyles are being redefined. In the **phone & internet services and electronic commerce sector**, increasing competition and strengthening regulatory enforcement mechanisms will ensure lower prices and better services for consumers. **Electronic commerce** offers consumers a number of benefits, including convenience, more choice, more product information, and lower costs. A harmonised legal infrastructure for e-commerce should be fully in place in ASEAN as adopted in the Roadmap for an ASEAN Community 2009-2015.

Consumer protection issues should be included in national **health** policies. Consumers in the AMSs generally showed concerns over the growing private healthcare system and thus, there is an urgent need for a strong regulatory presence in this industry. ASEAN governments should have consumer education programmes to encourage consumers to take responsibility for their own health by adopting healthy lifestyles.

Protection and care of the environment demands major changes in consumer lifestyles and community development strategies. The challenge is to address the problems of both over-consumption and under-consumption. Consumers are increasingly beginning to recognise that they, together with government and industry, have a role to play in ensuring a **healthy**

and safe environment. In this regard, an ASEAN regional policy based on the principles of sustainable development and consumption is imperative.

Many consumer protection regimes exempt **professional services** as they are not seen as commercial in nature. However, a growing majority of jurisdictions have taken the approach that some professional services may be governed by their consumer fraud acts. National consumer protection laws should be amended to include protection for consumers for all services including medical and legal areas.

In order to realise the strategies, recommendations and action plans proposed in the Roadmap for Capacity Building Needs in Consumer Protection in ASEAN, it is essential to develop the capacity of the **human resources** in all the areas of consumer protection ranging from policy to legislation to programmes. A comprehensive human resource development programme is needed to ensure an adequate pool of personnel who are competent to draft consumer protection laws and regulations, have sound technical expertise in consumer protection issues and are competent to conduct awareness building and training programmes for different consumer segments. Capacity building involves consumers too. It is therefore essential that a systematic approach is undertaken towards **consumer education** covering the entire range of consumer constituencies, consumer issues, delivery systems and appraisal procedures. Initiatives in this direction should be holistic in order to ensure comprehensive reach and effectiveness, towards developing a society of discerning and critical consumers with high consumer literacy in a globalised environment.

Children have become increasingly important market targets for advertisers. The lack of regulation of television **advertising for children** is a concern. All stakeholders, from regulatory authorities, food companies, consumer NGOs and advertisers should be engaged in the efforts to establish regulations for advertising targeted at children in ASEAN. Best practices in consumer protection have been cited from a range of sources encompassing the public, private and third sectors. The mass media has a pivotal role to play in educating consumers about their rights and responsibilities, disseminating information about consumer issues and helping to change consumer behaviour. The systematic development of the media's capacity to report consumer issues objectively and in depth should be an integral part of the Roadmap.

For the systematic enhancement of consumer protection in ASEAN, it is strongly recommended that an ASEAN Facility be established. The benefits of creating such a facility range from resource maximisation to sharing of best practices in consumer protection to catalysing regional harmonisation processes. The strategies, recommendations and actions are organised into an implementation plan for capacity building needs in consumer protection in ASEAN, for the short, medium and long terms.

1. INTRODUCTION

1.1 ASEAN ECONOMIC COMMUNITY (AEC)

ASEAN is an economically dynamic, culturally diverse and politically stable region that is playing an important role in a globalised economy. A key factor in the acceleration of economic growth is regional integration. In pursuit of this goal, ASEAN formulated the ASEAN Vision 2020 statement in 1997 which states the commitment of ASEAN Member States (AMSs) “to promote regional cooperation in Southeast Asia in the spirit of equality and partnership and thereby contribute towards peace, progress and prosperity in the region.”

To accelerate and actualise this vision, ASEAN leaders have declared that the ASEAN Economic Community (AEC) shall aim for regional economic integration by 2015. Consumer protection is identified as one of the strategic areas for the ASEAN community to achieve from 2009 to 2015. Towards this end, the deepening of regional agreements among ASEAN nations will create a common market in the region by 2015.

Growing globalisation and liberalisation, as well as the stalling of multilateral trade talks have resulted in joint and bilateral FTAs. These agreements have led to an increase in cross-border trade of goods and services, harmonisation of regulations and standards, the reduction of barriers to trade and investment and public procurement and greater competition. FTAs and regional agreements have been effective in encouraging wider trade liberalisation. FTAs need to be set up within the right framework of policies to enhance economic and consumer welfare.

The AEC aims to be a competitive and dynamic region which allows for free flow of goods, services and investments, and freer flow of capital and skilled workers by 2015. Tariff and non-tariff barriers are to be gradually eliminated. The AEC observes open regionalism. As such, ASEAN negotiates joint trade agreements with external partners and bilateral trade agreements.

ASEAN is in the early stages of forming a common market as member countries are at different levels of development and there are policy priorities for each country. The AEC has inbuilt mechanisms to allow individual countries space in policy-making and in maintaining external economic relations.

Progress is being made, however, towards the integration of ASEAN. More than 95% of intra-regional trade is tariff-free. The services sector will be significantly liberalised by 2015. Transparency rules are implemented to attract investments. A common trade repository system is being created to enhance transparency in trade rules.

Substantial progress has been made in integrating the following sectors: transport, telecommunications, agriculture and forestry, healthcare, tourism and in the area of science and technology. A number of transport agreements are in place to facilitate a seamless movement of goods.

ASEAN is increasingly a service economy. To enable the movement of skilled workers and professionals, 8 Mutual Recognition Agreements are being made operational in stages. To increase its appeal as a single market of 600 million consumers, ASEAN is strengthening the following areas: competition, consumer protection, intellectual property rights, taxation, infrastructure development and SME development.

Consumers play a key role in the ASEAN single market. For the AMSs to enjoy sustainable growth, access to the ASEAN consumer market people is important. ASEAN's goal of becoming a single market promises its consumers greater choice of products at competitive prices. To ensure the realisation of the single market vision, consumer protection measures together with economic measures need to be developed and put in place. As no market can achieve equilibrium without both the supply side and the demand side functioning optimally, consumer protection is essential to an integrated economic market.

The economic convergence of AMSs necessitates that member countries work together to ensure that the benefits of convergence flow on to consumers as it does to businesses. Regional economic arrangements such as “growth triangles” will impact on consumers in areas like access to products and services and involve issues of quality and costs, among other things.

In advancing its vision and mission, ASEAN has identified consumer protection as one of its strategic commitments towards equitable development in a competitive business environment. The AEC Blueprint seeks in Section B.2 to strengthen capacities, responsibilities and accountabilities of relevant stakeholders in the region (see Box 1 below). Consumers, regulators and businesses will have to be equipped to respond to the effects of globalisation and regional integration such as greater cross-border purchasing and increased use of the Internet. The digital revolution is transforming the world in which consumers live.

1.2 PROJECT BACKGROUND

1.2.1 Project Rationale

Trade liberalisation through the ASEAN Free Trade Agreements (AFTA) leads to freer movement of trade, products and services which are now able to reach consumers through four distinctive modes, namely:

- Cross-border supply
- Consumption abroad
- Commercial presence
- Presence of natural persons

Box 1: Roadmap for an ASEAN Community 2009-2015.

The building of an integrated economic region with a people-centred approach in this region has made ASEAN mindful that consumers cannot be precluded in all measures taken to achieve this integration. Consumer protection measures are already being developed in tandem with the proposed economic measures to address the already emerging consumer protection.

Actions:

- i. Strengthen consumer protection in ASEAN through the establishment of the ASEAN Coordinating Committee on Consumer Protection (ACCC);
 - ii. Establish a network of consumer protection agencies to facilitate information sharing and exchange; and
 - iii. Organise regional training courses for consumer protection officials and consumer leaders in preparation for an integrated ASEAN market.
-

Source: ASEAN Secretariat (2008).

A globalised and liberalised economic environment creates further challenges for consumers, policy makers, regulators and businesses. These include new market trends, digitalised transactions, impact of climate change, varying consumer demographics and growing cross-border activities. Consumers who acquire products and services from a fair, healthy and safe market place will have confidence in business and the economy as they are assured of getting a fair deal and will have access to redress when necessary.

In order to achieve an equitable level of protection for consumers in the region, the AMSs will require a range of strategic capacity building measures. These include policies, legislation, enforcement mechanisms, resource mobilisation – including financial and human resource development, acquisition of expertise of skills in relation to consumer products and services and regional planning in order to provide consumer protection for the 21st century and relevant to the ASEAN region.

The ASEAN Australia Development Cooperation Program Phase II (AADCP II) makes a substantial contribution to the means for achieving a high level of protection for consumers in the region. Consumers International Kuala Lumpur (CIKL) was tasked to carry out the Project “*Roadmapping Capacity Building Needs in Consumer Protection in ASEAN*”.

As the AMSs are at different stages of political, social and economic development, some AMSs face difficulties in ensuring adequate consumer protection for their consumers. The UNDP Human Development Index (HDI) provides an indication of the developmental status of the AMSs. Selected indicators, including income, health, education level and incidence of poverty are presented in Table 1.1 below.

Table 1.1: International Human Development Indicators (HDI)

Country	Health Life Expectancy at birth (years)	Education Mean years of schooling of adults (yrs)	Income GNI per capita	Inequality Inequality- adjusted HDI value	Poverty Multidimensiona Poverty index (k is greater than or equal to 3)	Gender Gender Inequality Index	Sustainabilit y Adjusted net savings (% of GNI)	Human Security Refugees by country of origin (thousands)	HDI
Brunei DS	72.4	7.5	10.8	n.a.	n.a.	n.a.	-1.0	0.0	37
Cambodia	62.7	5.8	7.5	0.351	0.263	0.672	9.1	11.3	124
Indonesia	71.5	5.7	8.3	0.494	0.095	0.68	-2.4	19.3	108
Lao PDR	65.9	4.6	7.8	0.374	0.267	0.650	17.1	8.6	122
Malaysia	74.7	9.5	9.5	n.a.	n.a.	0.493	19.2	0.6	57
RU Myanmar	62.7	4.0	7.4	n.a.	0.088	n.a.	n.a.	184.4	132
Philippines	72.3	8.7	8.3	0.518	0.067	0.623	22.3	1.4	97
Singapore	80.7	8.8	10.8	n.a.	n.a.	0.255	34.7	0.1	27
Thailand	69.3	6.6	9.0	0.516	0.006	0.586	18.0	1.8	92
Vietnam	74.9	5.5	8.0	0.478	0.075	0.530	9.7	328.2	113

Brunei DS: Brunei Darussalam; RU Myanmar: The Republic of the Union (RU) of Myanmar

n.a. - not available;

(Source: UNDP, 2010)

This Project is aimed at assessing and prioritising needs for capacity building in consumer protection in selected areas in order to develop an effective region-wide regime for protecting consumers in ASEAN markets.

Capacity for consumer protection refers to the ability to adjust policies and regulations, to reform institutions, to modify working procedures and coordination mechanisms, to increase the skills and qualifications of people, to change value systems and attitudes in a way that meets the demands of implementing an effective consumer protection regime in ASEAN.

Capacity building, however, is broader than training since it includes an emphasis on an overall system or environment in which individuals, organisations and societies operate and interact (UNDP, 1998).

The United Nations Development Programme (UNDP) has defined “capacity” as the ability of individuals, organisations and systems to perform functions effectively, efficiently and sustainably (UNDP, 1998).

Based on UNDP (1998), capacity for consumer protection exists at three different levels:

- i. At the “Systems” level – includes policies, legislation, standards, that provide a framework for consumer protection, as well as the mechanisms for management, enforcement, communication and coordination among the different organisations involved.

- ii. At the “Organisational” level – the mission structure, operational procedures of organisations involved in CP in addition to their financial and human resource, information resources and infrastructure.
- iii. At the “Individual” level – knowledge, skills, competencies, and experience on CP.

1.2.2 Project objectives

The objectives of this Project are as follows:

1.2.2.1 Primary objectives

- To develop a capacity building roadmap for consumer protection in AMSs and in the ASEAN region, particularly in six core consumer areas, namely, Product Safety and Labelling, Phone & Internet Services and E-commerce, Consumer Credit and Banking, Environment, Healthcare Services and Professional Services, specifically related to medical and legal professionals.
- To propose an implementation plan and assessment option for the capacity building roadmap that is applicable nationally and regionally.

1.2.2.2 General objectives:

- To map and analyse the state of consumer protection in AMSs, including status of relevant acts, legislation, policies, redress mechanisms, consumer protection programmes and initiatives.
- To examine the human and institutional gaps of each AMS and regional agencies in the development, planning, implementation and enforcement of consumer protection.
- To identify best practices in consumer protection programme implementation, possibly among AMSs, or where other internationally recognised programme implementation is identified.
- To highlight any potential impact of policy recommendations on gender and environment in the AMSs and ASEAN region.
- To produce country, subgroup and regional analysis and reports with regards to the capacity building roadmap on consumer protection.

The following key principles are adhered to in the development of the Roadmap on the Capacity Building Needs in consumer protection:

- **Protection:** Consumers should be protected from unfair practices.
- **Responsibility:** Transparent legislation in addition to effective consumer programmes to enable consumers to have sufficient information in order for them to exercise their responsibilities.
- **Enforcement:** There should be prompt and efficient enforcement of legislation to deter breaches of the consumer protection laws by businesses.
- **Change:** new and emerging consumer issues are identified so that legislation is updated and consumers have access to relevant information on these issues in order to make informed choices.

- **Competition:** Free and open competition is generally beneficial for consumers and Government regulations and legislation help to ensure a fair environment in the marketplace for consumers and businesses.
- **Representation:** Legitimacy for representation by non-governmental consumer organisations must be recognised including the right to association.

Organisation of Report

This Regional report, complemented with individual Country Reports of 10 AMSs and the Subgroup Report, is part of the research titled *Roadmapping Capacity Building in Consumer Protection in ASEAN*. This report is organised into 6 Chapters. Chapter 1 provides a general background on ASEAN and the general state of consumer protection in the region. Chapter 2 outlines the methods applied for data gathering that led to the outcomes and findings presented in this report. Findings of the project are presented in Chapters 3, 4 and 5. The general mapping and situational analysis on national legislation and consumer protection programmes are presented in Chapter 3. Chapter 4 covers an assessment of the capacity building needs of the various stakeholders that took part in the project, and Chapter 5 presents highlighted and brief summaries of the ten country reports and a regional roadmap for capacity building needs in consumer protection at the national and Subgroup levels. Chapter 6 presents the Regional Roadmap on Capacity Building Needs in Consumer Protection.

1.3 CONSUMER PROTECTION

On 9 April 1985 the General Assembly of the United Nations unanimously adopted a set of general guidelines for consumer protection. The Guidelines represent an internationally recognised set of minimum objectives, potentially being of particular assistance to developing countries. The adoption of the Guidelines reinforces the increasing recognition in recent years that consumer policy issues can no longer be seen as being of purely local concern but must be seen in an international context.

The basis of the Guidelines was derived from the principles and reiterated by Consumers International since 1960 which is as follows:

1. The right to basic needs
2. The right to safety
3. The right to information
4. The right to choose
5. The right to representation
6. The right to redress
7. The right to consumer education
8. The right to a healthy environment

The notion of basic needs has evolved that can be best described as:

- i. Survival: food, water, healthcare, sanitation, clothing, shelter
- ii. Capabilities: education, energy, transport, communication, security, access to resources

iii. Civic: access to information, participation in decision making processes

The ability to exercise consumer rights depends on several factors, such as consumers' purchasing power and the economic environment. As long as social and economic inequities exist, consumer protection primarily serves the interests of those who have the purchasing power, and are therefore active participants in the market.

1.3.1 Historical Background

The need to protect consumers is obvious. Consumers face risks from using fake or spurious goods, receiving misinformation or suffering restriction of consumer choice. The legal maxim of *Caveat Emptor* (let the buyer beware) is a reality that consumers across the world encounter. The notion of *Caveat Emptor* was inherent from the time human beings began to engage in some form of exchange of goods and services. However it is now widely accepted that there are often many factors which make it very difficult, if not impossible for consumers to protect their own interest and thus limit the applicability of the principle of *Caveat Emptor*.

Economic and social justice was the vision of the pioneers of the organised form of consumer movement, which was born out of trade union activism in the United States. At the turn of the 20th century, the US National Consumers League organised consumer boycotts against sweatshops, child labour and other inhuman conditions under which consumer products were made. The pioneers of the consumer movement saw the act of consumption as a means to wage battles for economic and social justice. In the United Kingdom, women's groups and labour organisations began organising around consumer issues including safety standards since the 1880s. The women's organisations were concerned about the price and quality of household items.

After the Second World War, consumers were faced with a wide array of goods and services. The consumer movement began to shift its focus to safety and choice of goods and services in the market place. As the organised consumer movement spread from the US to Europe, campaigns on unfair market practices were central to the movement.

Testing, product information and prices became the compelling priorities of consumer associations from the 1960s and continue to remain so. With the development of the consumer movement, another Latin term, "*Caveat Venditor*" *Let the Seller Beware*, gathered momentum to warn traders of the increasing voice of consumers demanding for their rights in the market place.

However, some Western consumer leaders reminded their colleagues, "It is not right that people in Africa, Latin America, Asia and Eastern Europe die of hunger, while the US and Europe pile up food mountains". As a result of these concerns, mainstream northern consumer groups provided financial support for the initial growth of consumer associations in Asia.

The period between the 1970s to the 1990s witnessed a growth of consumer associations in Asia whose organisational structure, etc. were modelled after the western consumer movement. From prices, safety and quality of goods, national consumer groups in Asia began to broaden their areas of work to include healthcare, education and privatisation, particularly during the period 1980s to 1990s. Consumer groups in some developing countries argued that public goods and services are concerns of the movement, as consumers use these as well.

From a focus on prices, several consumer groups in the region began to address ability to meet basic survival needs for marginalised consumers. These include access to food, shelter, clothes, education and healthcare. Once the act of consumption takes place, access to information, complaints, advice and redress must naturally follow. The effects of globalisation and liberalisation such as privatisation and deregulation have often affected consumers adversely. The liberalisation of the economy is intended to unleash productive forces and resources of a country. However, the regulatory frameworks to protect citizens and consumers against the negative effects of liberalisation are often ineffective or non-existent. Consumer representation in policy making bodies began to be recognised as critical for better consumer protection at national, regional and international levels. The focus then shifted from the individual consumer to a collective entity, as an interest group to represent consumers in national, regional and international policy making organisations.

As the work of the consumer organisations expanded, it was clear that consumer protection legislation and policies were needed. The most effective route to consumer protection is government intervention through appropriate legislation and enforcement.

The media too began to play a growing role in consumer protection. The media became significant channels to garner and disseminate information to support changes in national consumer policies and to mobilise support for campaigns.

The roots of consumer rights in ASEAN can be found in Thai Society. In the middle ages, during the Sukothai era, there was a royal inscription in stone advocating freedom to travel and trade. Since the mid 1940s Malaysia, Singapore, Philippines and other ASEAN states focused on providing basic needs for consumer welfare. Among the early consumer protection laws were legislation to control prices and supplies. By 1979, Thailand had implemented a Consumer Protection Act.

In 1985, the General Assembly of the United Nations adopted the UN Guidelines for Consumer Protection. The Guidelines represent an international regulatory framework for governments to strengthen consumer protection nationally. The Guidelines have been integrated into consumer policy and legislation, as well as other related policy areas, such as

trade, health and environment in AMSs. The Guidelines were expanded in 1999 to include the promotion of sustainable consumption.

1.4 CONSUMERS IN ASEAN

Definition of “consumer”

Consumers, by definition, include us all. They are the largest economic group in the economy, affecting and affected by almost every public and private decision.

-President John F. Kennedy, March 1962

For the purposes of this project, a universally accepted definition of “consumer” is used as the conceptual and operational base.

Consumer means a person who:

- *Acquires or uses goods and services of a kind ordinarily acquired for personal, domestic or household use or consumption.*

Consumer will not include a person who:

- Acquires goods or services, or hold themselves out as acquiring the goods or services, primarily for the purpose of:
 - re-supplying them to trade, or
 - consuming them in the course of a process of production or manufacture, or
 - in the case of goods, repairing or treating in trade other goods or fixtures on land

As the world population is projected to grow to nine billion by the year 2050, consumption is expected to be largely driven by growth in developing countries. Increase in consumption accounts for growth in GDP, which is expected to contribute to the growth in the number of middle income consumers. Table 1.2 reflects the income levels in the AMSs.

In ASEAN, consumers can be categorised as follows:

The Wealthy Consumer

The wealthy consumer is one who has money to purchase more than what she/he needs, has access to technology, sophisticated consumer goods, jet travel, luxury cars and assets.

The Middle Class Consumer

The growing middle class in ASEAN is seen as consumers in the new markets for products such as processed foods, computer software, educational services, mobile phones, films and televisions.

Subsistence Level Consumers

ASEAN is also home to a third category of consumers who live below the subsistence level. Sometimes they are referred to as non-consumers. They may not fall within the market

definition of “consumers”, that is, purchasers of goods and services provided by a market economy. Nevertheless, the absolute poor are consumers of the environment, or legislation and of a political system. They too have an important place in any discourse on consumer protection.

Table 1.2: World Bank’s List of Economies and Income Levels in ASEAN.

<i>Economies</i>	<i>Income Level</i>
Brunei Darussalam	High income
Cambodia	Low income
Indonesia	Lower middle income
Lao PDR	Low income
Malaysia	Upper middle income
The Republic of the Union (RU) of Myanmar	Low income
Philippines	Lower middle income
Singapore	High income
Thailand	Lower middle income
Vietnam	Lower middle income

(Income group: Economies are divided according to 2009 GNI per capita, calculated using the World Bank Atlas method. The groups are: low income, \$995 or less; lower middle income, \$996 - \$3,945; upper middle income, \$3,946 - \$12,195; and high income, \$12,196 or more.)

In calculating gross national income (GNI—formerly referred to as GNP) and GNI per capita in U.S. dollars for certain operational purposes, the World Bank uses the Atlas conversion factor. The purpose of the Atlas conversion factor is to reduce the impact of exchange rate fluctuations in the cross-country comparison of national incomes. (Source: World Bank)¹

1.6 CONSUMER PROTECTION IN ASEAN

As ASEAN economic integration accelerates, the consumer interest becomes all the more important. Consumer protection is a critical component in the ASEAN economic integration process. Consumer risks should not outweigh consumer benefits in a liberalised and globalised marketplace. In a liberalised economy, the role of the state evolves from being a provider of services and goods to that of a regulator and protector of rights. In view of this, consumer protection gains further importance nationally and regionally.

Since 1974, a series of meetings and seminars have been held to address consumer concerns in the region and to explore institutional mechanisms for consumer protection at the regional and national levels. The major events in this area, which are summarised in Table B2.1 (*in the Appendix*), indicate the progress achieved to date. The ASEAN Coordinating Committee in Consumer Protection (ACCCP), now known as the ASEAN Committee on Consumer Protection, was formed in July 2006. The current chair is Malaysia. The Bali

¹ “World Bank List of Economies January 2011.” Accessed from <http://siteresources.worldbank.org/DATASTATISTICS/Resources/CLASS.XLS>

Declaration on Technical Cooperation for Consumer Protection in Southeast Asia was adopted in November 2006. Following the Bali Declaration, the Southeast Asian Consumer Protection Agencies Network (SEA-CPAN) was established, with Indonesia serving as the secretariat for 2007. It hosted several technical meetings for officials of consumer protection agencies in AMSs.

Trade agreements create markets for a wide range of goods and services. However, the plethora of goods and services, while providing for greater choice have raised various consumer concerns, such as the safety of products and services, and price.

Market liberalisation and elimination of trade barriers for sugar led to the collapse of the national sugar industry in Indonesia. Price increases, rampant smuggling and hoarding of sugar affected consumers. (Source: Nightmare in a Spoonful of Sugar, Yayasan Lembaga Konsumen Indonesia, 2005).

Studies by Consumers International and IDRC in Asia, Africa and Latin America have highlighted consumer concerns in trade agreements. These include issues related to the compatibility between trade and economic reforms, poverty reduction strategies and the pursuit of social equity. In the areas of competition, agriculture, services and intellectual property rights (e.g. public health), it is important to emphasize consumer protection and consumer rights².

The settlement of disputes becomes vital to ensure a fair and just trading system. Consumer interest can be vitiated by unfair and unpredictable barriers for trade. Developments in trade liberalisation and market integration have highlighted the need to enhance cross-border consumer protection in ASEAN.

As ASEAN economies develop, a growing middle class will look at other determinants than price in their selection of goods and services. Quality, reliability and safety become dominant factors in exercising choice. Thus, nations that address these issues through effective consumer policy and law, can give themselves a competitive advantage. The producers of high quality goods and services, such as the EU, USA, Japan, Australia, etc. invariably have enhanced systems of consumer protection.

A number of ASEAN initiatives towards harmonisation such as the ASEAN Expert Group on Food Safety (AEGFS)³ have been taken to protect public health through the establishment of quality and management expert platforms. In addition, various ASEAN bodies have been set up to cover not only the business needs, but also to protect the interests and safety of consumers in general. For example, to ensure the safety and quality of products and services, the *ASEAN* Consultative Committee on *Standards* and Quality

² Consumer Rights and the Elimination of Poverty through Global Trade, access from http://www.idrc.ca/en/ev-112356-201-1-DO_TOPIC.html

(ACCSQ) has been established. Apart from ACCSQ and AEGFS, ASEAN has established other committees on cosmetics, the environment, science and technology, food, agriculture and forestry, telecommunication, energy, finance and tourism.

1.5.1 Emerging Consumer Concerns in ASEAN

The revolution in information and communications technologies (ICT) has brought and will continue to bring profound changes in the lives of people and nations around the world. The digital revolution brings individuals, firms and countries closer together at an unprecedented pace. However, those without the capability for or access to technologies run the risk of not just being marginalized but completely bypassed, warns the UNDP. The digital divide may leave many developing nations far behind, resulting in growing disparities between countries and societies. See Table 1.3 below.

According to the UNDP 1999 report the gains in productivity produced by the new technology might widen differences in economic growth between the most affluent nations and those that lack the skills, resources and infrastructure to invest in the information society. Lack of access to technology and the Internet would keep many small and medium enterprises from being competitive. The gap could have serious economic consequences for the least developed countries. Since jobs in the fastest growing industries and markets all depend on having high-technology skills.

Table 1.3: Internet Usage and Population

Country	Population	Internet Users	Penetration (% of population)
Brunei Darussalam	395,027	318,900	80.7
Cambodia	14,753,320	78,000	0.5
Indonesia	242,968,342	30,000,000	12.3
Lao PDR	6,993,767	527,400	7.5
Malaysia	26,160,256	16,902,600	64.6
RU Myanmar	53,414,374	110,000	0.2
Philippines	99,900,177	29,700,000	29.7
Singapore	4,701,069	3,658,400	77.8
Thailand	66,404,688	17,486,400	26.3
Vietnam	89,571,130	24,269,083	27.1

Source: Nielson Online (June 30, 2010)

AMSs have begun to embrace ICT, its development and use, to sustain economic growth and remain competitive in the global market place. Towards this end, the AMSs leaders have agreed to promote collective efforts to complement national development strategies in this sector. The e-ASEAN initiative establishes a region-wide approach to making

³AEGFS Website <http://aegfs.ASEANfoodsafetynetwork.net/>

comprehensive use of information and communications technologies in business, society and governments.

In November 2000, ASEAN entered into the e-ASEAN Framework Agreement to facilitate the establishment of the ASEAN Information Infrastructure - the hardware and software systems needed to access, process and share information - and promote the growth of electronic commerce in the region. AMSs governments have committed themselves to foster a favourable legal and policy environment for the development and use of ICT through the e-ASEAN initiative.

While developments in the ICT field bring new goods and services, consumers face many challenges, too. In the telecommunications and mobile phone area, 9 issue areas are identified: consumer protection and policy arrangements; information provision and decision-making; availability of services; accessibility of services; inclusion and integration with lifestyle; relationships with service providers; security and privacy; using content; and ICTs and the environment. Another development concerns the increasing access and use of mobile phones by children. Protecting against aggressive, inappropriate and abusive mobile marketing practices is a key challenge for all stakeholders to ensuring children benefit from the opportunities provided by mobile devices.

With the development of phone and internet services (or ICT in general) and e-Commerce, the development of new systems like mobile money – the electronic transfer of money via mobile telephone accounts by high interest lenders – pose new challenges for consumers and regulators. Poor financial literacy on the part of consumers, coupled with aggressive marketing of credit facilities by lenders can result in consumers borrowing beyond their means to repay.

AMSs governments have set themselves the goal to progressively liberalise trade in health services in the region. From an economic perspective, opening healthcare markets promises substantial economic gains. Yet it may also intensify existing challenges in promoting equitable access to healthcare. However, liberalising trade may make domestic policy reforms more critical. It may help focus policymakers' minds and create new opportunities for improving affordable access. But it may also lead to outcomes from which only the better-off will benefit⁴.

AMSs, industry and consumers are equally concerned about environmental issues, including climate change, pollution and depleting natural resources. Consumers are increasingly beginning to recognise that they together with government and industry have a role to play in ensuring a healthy and safe environment and in dealing with climate change. The effects of climate change, for example, on food security, temperature, and floods, which often result in higher insurance premiums are only just being grasped. The emerging issues

⁴

outlined above are discussed in the context of capacity building needs in consumer protection in the Roadmap in Chapter 5.

1.6 CONCLUSION

The development of the AEC is paving the way towards a competitive and dynamic region which allows for a free flow of goods and services that will require harmonisation in their quality, reliability and safety. Economic growth, liberalisation and emerging consumer areas such as developments in the ICT field bring new challenges for consumers. The AMSs will need to address these issues through effective consumer policy and law to achieve the highest levels of consumer protection to foster consumer confidence in a competitive single market and protect consumer rights from unethical business practices. The next chapter will discuss in greater detail the Methodology used for “*Roadmapping Capacity Building Needs in ASEAN.*”

2. METHODOLOGY

2.1 SCOPE

The project focused mainly on the aspects of consumer protection that has been specifically identified as being of particular relevance to the ASEAN's goal of becoming a single market. As such, consumer protection policies, principal consumer laws and six specific aspects of key consumer areas were covered in the project.

Based on consumers' vulnerability to issues of affordability, accessibility, availability and sustainability of products and services emanating from trade liberalisation, Rachagan (2006)⁵ outlined potential impact of AFTA on consumers in relation to product safety and labelling, services, e-commerce, as well as healthcare and food safety⁵ as summarised in Table 2.1. Table 2.2 further describes consumer-related concerns in six consumer areas that are covered in this project.

As indicated, consumers become more exposed and potentially vulnerable to issues related to affordability, accessibility, availability and sustainability of products and services emerging from trade liberalization. Nonetheless, there is yet a formal dedicated Consumer Protection Agency and consumer representation at the ASEAN level.

Table 2.1: Impact of AFTA on Consumers in ASEAN.

Sectors	Impact of AFTA
Product Safety and Labelling	<ul style="list-style-type: none"> ●Dumping, double standards, product recalls, non-tariff barriers, and health, safety, environment, Standards, certification and testing recognition and accreditation ●ASEAN Cosmetic Directive ●Labelling - language, symbols and requirements ●Information on products
Services	<ul style="list-style-type: none"> ●Sectoral approach: Air Transport, Business Services, Construction, ●Financial Services, Maritime Transport, Telecommunication, Tourism, recognition and certification Professional Services, worker migration, tourism and cross-border public movement
E-Commerce	<ul style="list-style-type: none"> ●e-ASEAN Framework Agreement (national laws and policies, mutual recognition of digital signature, secure e-transactions, personal data protection and consumer privacy, ADR)
Healthcare and Food safety	<ul style="list-style-type: none"> ●Access to affordable health care ●Trade liberalisation on health sector, privatization, harmonisation of standards and regulations ●Food safety policies, standards and guidelines (GMOs, Maximum Residue Limits of Pesticides)

Source: Compiled from Rachagan (2006).

⁵ Presentation at the 2nd Southeast Asian Conference on Consumer Protection – Technical Cooperation on Consumer Protection. Bali, Indonesia. 5-7 November 2006.

Table 2.2: Selected Key Consumer Areas and Issues of Focus.

Key consumer areas	Specific aspects to be covered
<ul style="list-style-type: none"> Product safety and labelling 	Consumer products including food (excluding medicines).
<ul style="list-style-type: none"> Phone & Internet services, and E-commerce 	Broadband services, online purchase, rates and charges, access, quality of services.
<ul style="list-style-type: none"> Banking 	Banking and financial institutions providing loans; money lending, hire purchase or other financial assistance to consumers.
<ul style="list-style-type: none"> Environment 	Policies, laws and programmes for safe and healthy environment, products or services related to water, energy and air.
<ul style="list-style-type: none"> Healthcare services 	Public and private health care services, pharmaceuticals.
<ul style="list-style-type: none"> Professional services 	Laws related to chargeable fees and accountability with regards to legal and medical professions

2.2 APPROACH

The project framework involved an examination of the formal and actual operating context of consumer protection in the AMSs. A *rights-based approach* was employed, directed by the United Nations Guidelines on Consumer Protection 1985 (expanded in 1991) which has been adopted worldwide by many governments as their framework for consumer protection. The rights-based approach emphasises social justice for consumers who do not have access to basic goods and services.

In addition, the framework takes cognisance of the UNDP's Human Development Index which provides an overview of consumers' access to basic needs in a country annually. Furthermore the project examined the Constitutional provisions and other forms of protection for consumers as well as the legal rights for consumer organisations to exist and represent consumers which are in place in a number of AMSs.

2.2.1. Capacity Building Needs Assessment on Consumer Protection

The primary focus of this project was to identify capacity building needs of the AMSs in consumer protection, and to provide a roadmap for meeting those needs.

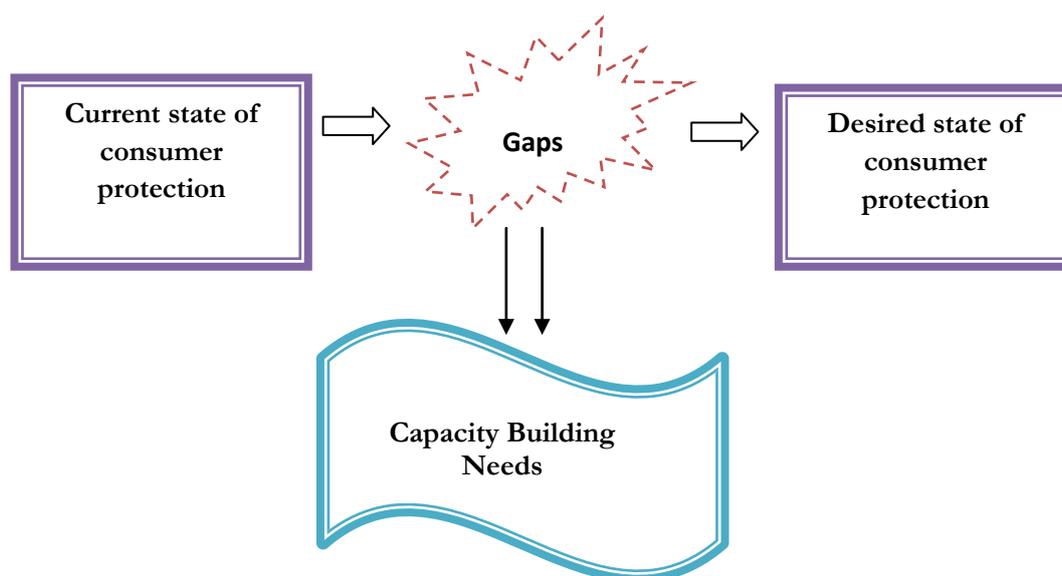
The Formal and Actual Operating Contexts (FOC) involved legislation, policies and regulations that govern the responsibilities of governments, businesses, consumers and other stakeholder in the area of consumer protection. The FOC also includes the structures

related to consumer protection. On the other hand, the AOC relates to the protection levels actually experienced by consumers, viewed from a rights-based perspective. The AOC includes governance and consumer welfare matters e.g. how enforcement mechanisms actually operate, the nature of consumer complaints/injuries and the nature of redress and compensation which consumers actually obtain.

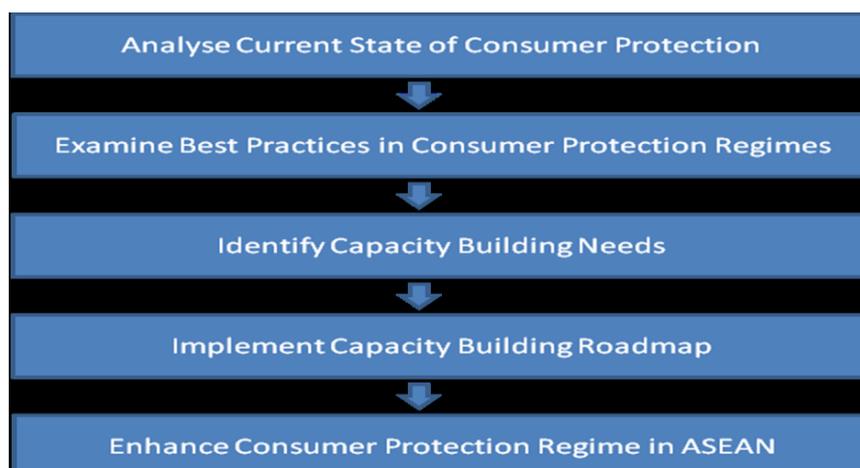
The assessment of capacity building needs (CBN) constituted the following activities:

- **System level:** Reviewed the principal legislation and mapped other related laws covering consumer protection, institutional functions and structures specifically for the purpose of consumer protection laws and policies that explicitly protect the rights of consumers such as Ombudsmen schemes, tribunals and industry based complaints handling systems. Private “structures” such as complaint cells in multi-national companies were not included as the motivation behind such structures is not always in the public interest.
- **Organisational level:** Identified gaps in institutional capacities such as roles and functions including monitoring and implementation of policies, laws and regulations, operation procedures, budgeting, staffing, infrastructure, management and leadership.
- **Individual level:** Identified gaps in human capacities knowledge, experience, competencies, and skills.

Existing gaps and deficiencies in the current operating context of consumer protection vis-a-vis a comprehensive protection regime were examined so that capacity building needs can be identified. Figure 2.1 illustrates the basic approach applied in the Project that looked at the gaps that existed as barriers to the desired state of consumer protection, both at the national and regional contexts. The gaps were then translated into the areas for capacity building that were recommended in order to attain the desired outcomes. The desired outcomes at the ASEAN level were benchmarked in tailoring the different levels of needs and capacities of the AMSs in implementing CP.

Figure 2.1: A Schematic Diagram on the Capacity Building Needs Assessment.

The diagram below illustrates the approach used in this project to identify capacity building needs in order to enhance consumer protection in the ASEAN region.

Figure 2.2: Approach Taken to Identify Capacity Building Needs to Enhance Consumer Protection in ASEAN.

2.3 DATA COLLECTION PROCESS

The Project applied four data collection instruments to support and complement the accuracy and reliability of information gathered as follows:

- Instrument 1: Secondary Data Collection Template
- Instrument 2: General Survey Questionnaire Template
- Instrument 3: Key Informant Interview Questionnaire Template
- Instrument 4: Roundtable Discussion Programme Template.

2.3.1 Literature Review

In addition to the above, literature search on consumer protection laws and issues was undertaken. Materials on the impact of trade liberalisation on consumer protection were reviewed.

The literature review covered capacity building processes, participatory methodologies topics related to consumer laws in AMSs. The process further involved reviewing of consumer protection regimes in other parts of the world where consumers enjoy higher levels of protection. The extensive national systems of consumer protection found in the European Union, Australia, United Kingdom and United States of America were examined with a view to establish a basis for a consumer protection regime for ASEAN as a single market. In this regard, it was necessary to take into account the socio-economic, cultural and political characteristics of the AMSs. By drawing upon examples of good practices from the more advanced consumer protection regimes and adopting or adapting them to the requirements of the AMSs, key components of a comprehensive consumer protection regime were identified.

The preliminary findings of a project conducted by Consumers International in 2009 entitled *“The Asia Pacific Consumer Laws Analysis”* where baseline information of consumer protection and competition laws in Asia Pacific have been established was referred to as well, including available annual reports or studies from relevant agencies.

2.3.2. Secondary data

The project employed a two-part questionnaire for data collection. Part one was a questionnaire to obtain secondary data from all the AMSs. It sought to obtain information about the actual operating context of consumer protection in each of the countries. The questionnaire was given to a selected agency or organisation which served as a focal point in each country. The focal point was tasked with the responsibility of collating information on existing consumer laws, regulations, codes of conduct, programmes to raise consumer awareness, best practices, common consumer complaints and redress mechanisms, relating to consumer protection in general and also specifically for the six selected core key consumer areas.

2.3.3 Primary data

The second part of the survey sought to obtain data and information from relevant stakeholders who were involved in consumer protection in one or more of the six key consumer areas covered in the project, about their functions and activities related to consumer protection. The questionnaire also required respondents to select from a list of difficulties that they usually encounter in providing consumer protection in their respective areas of work. In addition, they were asked to rate the level of difficulty for different aspects of their work, on a scale of one to seven. The stakeholders were also required to indicate the type and form of capacity building assistance that they preferred.

The questionnaire was structured to map information on consumer protection laws, regulations, policies, codes of conduct, consumer protection programmes and initiatives, redress mechanisms plus human and institutional gaps in the selected consumer protection areas.

The questionnaire was pilot tested among selected individuals and organisations with the purpose of testing the adequacy of the instrument. The pilot testing was carried out in four countries namely Malaysia, Thailand, Cambodia and Indonesia. These countries were selected because they represent different stages of economic development, different levels of existing consumer protection and language differences. Based on the feedback and findings from the pilot test, the questionnaire was fine tuned for more clarity and ease of administration.

In order to identify appropriate respondents and to administer the instruments, focal points were appointed in each AMS, in consultation with Consumers International, Kuala Lumpur. The focal points were selected primarily from among CIKL's partners or associates in each of the countries, in order to leverage on their local knowledge and network of contacts. In countries where CIKL did not have members or associates, the ACCP members in those respective countries were requested to assist in the data collection process.

2.3.4 Regional Workshop

The findings of the project were presented to representatives from the AMSs and to members of the ASEAN Committee on Consumer Protection at an *ACCP Workshop on "Roadmapping Capacity Building Needs in Consumer Protection in ASEAN"*, which was held in Kuala Lumpur from 30 Nov - 1 Dec 2010. The workshop served as a forum for participants to comment on the findings presented and to provide their views and suggestions on CBN roadmap for AMSs.

2.4 PROFILE OF STAKEHOLDERS

2.4.1 Classification of AMSs

For the purpose of the Project, the AMSs were grouped into two categories as follows:

- **Category 1** (those having a Primary Consumer Protection Law): Indonesia, Malaysia, Philippines, Singapore, Thailand and Vietnam.
- **Category 2** (those without a Primary Consumer Protection Law): Brunei Darussalam, Cambodia, Lao PDR⁶ and the Republic of the Union of Myanmar)

The following questions were used to guide the identification of stakeholders for the purpose of gathering information for this project:

1. Who needs consumer protection?
2. Who are interested in the outcome of consumer protection?
3. Who will influence consumer protection?
4. Who will be affected by consumer protection?
5. Who will support consumer protection?
6. Who can be included in the planning of consumer protection?
7. Who will implement consumer protection?

Based on the above, the following categories of stakeholders were identified:

- Government (dedicated consumer Ministry and other Ministries, particularly with relevance to the key consumer areas specified, including enforcement agencies, consumer tribunals and courts)
- Regional Institutions or inter-governmental organisations such as ASEAN Secretariat (ASEC), Competition, Consumer Protection, and IPR Division (CCPID), ASEAN Committee on Consumer Protection (ACCP) and South East Asian Consumer Council (SEACC);
- Industry and business associations;
- National non-governmental organisations (NGOs)/civil society organisations (CSOs) including consumer associations,
- Professional bodies of legal and medical services such as the Medical Council, the Bar or Legal Council, etc.

2.4.2. Respondents

The General Survey (GS) was targeted to 20-25 respondents per country, who were senior officials, Directors or Chief Operating Officers handling the day to day affairs of the respective organisations. The small sample size was due to the following considerations:

1. the GS is Not a Perception survey;

⁶ The new *Consumer Protection Law* was adopted by the National Assembly in June 2010. This Law should become effective in 2011, ninety days from the date of the promulgating decree of the President of the Lao People's Democratic Republic (Art. 74 of the Law)

2. the GS is designed as None-random quantitative survey based on identified (targeted) stakeholders;
3. the objective of the GS was to establish **facts** from key stakeholders identified specifically for the purpose;

The success rate varied from 7-21 respondents per country. The reason for the small number of responses was due to the fact that some particular countries had no principle consumer protection law or dedicated consumer agency.

Overall, the GS respondents represent a mix of government departments, statutory bodies and regulatory bodies (54), non-governmental organisations (38), private sector organisations (9), and others (9) such as an industry/commercial associations, cooperatives and associations of professionals. Total number of GS respondents was 114 (Table 2.3), whereas Key Informant Interviews (KII) respondents was 112, with the breakdown as in Table 2.4. Total number of RTD participants was 129, with the breakdown shown in Table 2.5.

Key Informant Interviews (KII) in each AMS was another primary source of information for the project. Using the findings from the GS in each country, the KII utilised open-ended questions to probe for more detailed information and to fill in gaps in information obtained from the GS.

Roundtable Discussions (RTD) conducted in each AMS was another additional source of primary information for this project. Participants at the RTDs included mid-level officials who are implementers (e.g. programme managers, consumer protection officers and representatives of consumers associations). The number of participants at the RTDs in each country ranged between eight to nineteen persons. During the half-day RTD, the findings of the GS and the KIIs were shared and discussed primarily as a means of validating and supplementing the data and information that had been collected and analysed.

The steps involved in carrying out this study were as follows:

- Step 1 : Gathered secondary data related to consumer protection including redress mechanisms and areas for capacity building related to consumer protection.
- Step 2 : Identification of stakeholders and focal points.
- Step 3 : Designed questionnaire using preliminary and baseline information gathered in **Step 1**.
- Step 4 : Administered pilot study/pre-testing to test the adequacy of the instruments.
- Step 5 : Revised questionnaire based on findings from pilot study/pre-testing to ensure national and regional appropriateness and adequacy.
- Step 6 : Administered the general survey simultaneously in all AMS.
- Step 7 : Analysed General Surveys and reports on findings.

- Step 8 : Conducted Key Informant Interviews
- Step 9 : Conducted Roundtable discussions following completion of key informant interviews to validate and share findings of both the General Survey and Key Informant Interview.

Table 2.3: Total Number of GS Respondents.

Countries	Total number of stakeholders
Brunei Darussalam	11
Cambodia	8
Indonesia	11
Lao PDR	7
Malaysia	21
Philippines	19
Singapore	13
Thailand	11
Vietnam	9
RU Myanmar	4
Total	114

Table 2.4: Total Number of Key Informants.

Countries	Total number of stakeholders
Brunei Darussalam	19
Cambodia	7
Indonesia	15
Lao PDR	15
Malaysia	10
Philippines	9
Singapore	14
Thailand	14
Vietnam	9
RU Myanmar	--
Total	112

Table 2.5: Total Number of RTD Participants.

Countries	Total number of stakeholders
Brunei	19
Cambodia	8
Indonesia	9
Laos	14
Malaysia	16
Philippines	11
Singapore	8
Thailand	15
Vietnam	11
RU Myanmar	18
Total	129

2.5 ANALYSIS

2.5.1 Three levels of capacity building needs analysis

For the purpose of this Project, capacity building needs were analysed at three levels namely;
System level: Consumer Protection Laws, Policies and Structures.

Organisational level: Roles, functions and capacity of institutions involved in monitoring and implementing, operational procedures, staffing levels and office facilities.

Individual level: Human capacities such as knowledge, experience, competencies and skills.

2.5.2 Statistical analysis

Six types of analysis were performed on the data from the GS using version 17.0 of Statistical Package of Social Sciences (SPSS) in order to identify priority areas for capacity building and gaps in consumer protection. (Table 2.6)

Table 2.6: Types of Statistical Analysis Used

Type of Analysis	SPSS analysis
Normality test of the data	Kurtosis and skewness, P-P Plot
Reliability test of the data	Cronbach alpha
Organisational profile and consumer protection measures	Frequencies
Level of difficulty in implementing consumer protection programmes and activities	Frequencies, Index
Capacity building needs and form of assistance required	Frequencies, Index
Relationship between level of difficulties and capacity building needs	Pearson correlation, T-Test

The identification of the capacity building needs was accomplished by making a systematic analysis of the information gathered through the GS, especially with regard to difficulties expressed by respondents, and the types and forms of assistance which they needed. The

information gathered from the above-mentioned analysis was used to identify weaknesses and gaps in the existing operating context for consumer protection among the AMSs.

By making reference to a proposed framework for comprehensive consumer protection regime, it was possible to identify capacity building needs that would assist the AMSs to make the transition from where they currently are to the desired state of consumer protection.

An index was developed to measure capacity building needs, using an interval scale of 1 to 7. Level 1 is the least priority and level 7 is the highest priority. The Index level was based on the total scores (i.e. the total computed score for all items related to capacity building needs) and the mean for each area of capacity building need. The mean for the total score is called the Index for each item listed in the questionnaire.

The similar Index was also computed to measure the level of difficulty in implementing consumer protection programmes and activities, and the preferred forms of assistance required by the stakeholders for work on consumer protection.

2.5.3 Qualitative Analysis

The review and analysis of secondary data such as policies and laws included the Consumer Protection laws, such as the principal Consumer Protection Act where available, the scope of the Act such as the areas or elements covered, how the Act is implemented and regulations enforced; and how consumers seek redress under the Act. In countries with no principal Consumer Protection Act, other relevant laws relating to consumer protection were examined. The enforcement of these Acts was examined through state actions, Ombudsmen schemes or private action.

The analysis of the Principal Consumer Protection Law was carried out by mapping the provisions of the key consumer rights components applying CI's expert, John Wood's Matrix Model on "*What Consumer Laws Should Do*"⁷.

Qualitative information obtained from KIIs and RTDs was used to substantiate or supplement quantitative information obtained from the GS. The open-ended KIIs and the RTDs served as a sounding board to fill in the gaps in formation, to check the validity and relevance of the capacity building needs of the AMSs.

Based on the findings from the GS, secondary data collection, KIIs and RTDs at country levels, strategies and recommendations as well as a roadmap for strategic thrust areas for consumer protection was developed for the short, medium and long term.

⁷ Matrix developed by John T.D. Wood (1996).

2.6 LIMITATIONS

2.6.1 Stakeholders

Primary data collection was carried out through an administered questionnaire to targeted stakeholders only. These were government entities, regulatory authorities, regional institutions or intergovernmental organisations, consumer organisations, business associations, academic institutions and think tanks. The responses of the individuals were likely to be influenced by their positions and their perception of how the survey findings would be utilised. For example, government officials, especially those in the higher levels of the hierarchy tended to be concerned that the survey would portray their departments and the country in general, in poor light. They were therefore more likely to present an overly rosy picture of the state of consumer protection in the country. On the other hand “activists” from NGOs often tended to be more critical of government efforts while being very generous in their estimation of the work done by the NGOs.

However, these limitations were to a large extent overcome by explaining to the respondents and assuring them that the project was not meant to be a criticism of the state of consumer protection in the country, but rather an attempt to identify needs for capacity building.

2.6.2 Consumer Areas

This project focused only on selected consumer areas that had been identified. A more comprehensive survey of the status of consumer protection in any country, especially in the ASEAN region would take into consideration the consumer’s access to basic needs such as food, shelter, education. Hence the findings of this project should ideally be complemented by reference to other publications and instruments such as national development plans and UNDP’s Human Development Index which address access to basic needs and capacity building requirements to attain the goal of basic needs for all people.

2.6.3 Time

The duration of the mapping period was five months which was a relatively short period to cover the 10 countries and the wide range of consumer protection issues. In order to overcome this limitation, CIKL made a special effort to obtain the assistance of its members and contacts in the AMSs to administer the GS to the respondents and to identify and liaise with Key Informants and to organise the RTD.

2.6.4 Language

The questionnaire was drafted in English, which was not the operating language of organisations in most of the AMSs. Hence individuals had to be identified within the organisations that could either complete the questionnaires themselves or assist others by translating the questions into their native language. For example, in Vietnam, the whole questionnaire was translated into Vietnamese by CIKL’s focal point in that country. This

invariably caused delays in getting back the completed questionnaires and the completion of the subsequent activities.

2.6.5 Sample Size

The number of respondents in most countries was limited because there were not many stakeholders that were involved in consumer protection activities. Apart from a few government agencies and regulatory bodies, professional associations and consumer organisations it was often not possible to identify many other appropriate respondents. Because of the relatively small sample size in individual countries, conclusions drawn from the GS were applied to the region as a whole.

2.7 CONCLUSION

The methodology employed for this project employed a mix of quantitative and qualitative approaches. Additional qualitative information was obtained through face to face interviews and group discussions in order to validate and complement the information obtained through the GS. These approaches were adequate to provide sufficient information for a situational analysis of consumer protection in the AMSs.

3. MAPPING AND SITUATIONAL ANALYSIS OF CONSUMER PROTECTION IN ASEAN

The degree of protection which the consumer enjoys will depend to a large extent on the relevant policies, legislation, emerging consumer concerns, redress mechanisms and programmes, all of which determine the consumer protection capacity in the country. This chapter provides a situational analysis of consumer protection in ASEAN for the purpose of identifying gaps in capacity building in this field in the AMSs.

3.1 GOVERNANCE

The legal instruments that provide a measure of protection for consumers in the AMSs may be known by different terminologies e.g. Acts, Laws, Regulations, Decrees, Prakas and Statutes. Though these instruments may have different degrees of authority, they all have the common purpose of providing protection to consumers. In order to facilitate discussion, all these legal instruments are referred to as “*Consumer Law*.”

Consumer law relates essentially to the prescription of safety, labelling, advertising and service standards and the provision of redress (civil, administrative and criminal) in cases where businesses fail to meet those standards. The underlying objective is to prevent or reduce losses and injuries that buyers might suffer from unfair trade practices and unsafe products.

Consumer law is essentially concerned with redressing the natural imbalance between ordinary consumers and sellers or suppliers of goods and services. There is an imbalance in information available to consumers as against that possessed by suppliers of goods and services. Hence, consumers are often unable to make informed buying decisions because they lack the ability to make independent judgment or cannot obtain the full facts surrounding a transaction. Consumer law acts as a buffer to make up for the imbalance in economic power between individual buyers and the collective strength of producers or sellers.

Government interventions through legislation of consumer law are important for the protection of consumer rights, because the cost and time involved for individual consumers to seek redress is often prohibitive.

In a globalised market, consumer law often becomes necessary to protect consumers from unethical trade practices such as the dumping or import of dangerous or unhealthy goods into the national market, especially when the ordinary consumers do not have sufficient information.

All AMSs recognise that the state has the primary responsibility to protect consumers and have enacted various pieces of legislation for this purpose. In most of the AMSs, consumer protection is usually provided through a principal consumer protection act and a number of other consumer laws, which are enacted in response to emerging issues in the market place. AMSs which do not have a principal consumer act are at various stages of enacting one.

Table 3.1: Status of Principal Consumer Protection Laws in AMSs

Country	Principal Consumer Protection Act
Brunei Darussalam	Consultation in progress
Cambodia	Being drafted
Indonesia	Consumer Protection Act No 8/1999
Lao PDR	Law on Consumer Protection (2011)
Malaysia	Consumer Protection Act 1999
RU Myanmar	Preliminary discussions in place
Philippines	Republic Act No. 7394 - The Consumer Act of 1992
Singapore	Consumer Protection (Fair Trading) Act 2009
Thailand	The Consumer Protection Act 1979
Vietnam	Ordinance of Protection of Consumer's Interests 1999

A survey of the consumer laws in the AMSs shows that the laws cover many different aspects of consumer protection. The list below is illustrative of the range of areas covered by consumer legislation in general:

- Mechanisms for handling complaints and for adequate means of redress
- Standardisation for product safety and quality
- Supply of essential goods
- Regulation of the use of weights and measures (metrology) in commercial transactions
- Multi-level marketing and pyramid selling: mechanisms to protect consumers from the problems arising from multi-level marketing arrangements
- Unfair terms of contract

In addition to the above, there are laws which have the objective of ensuring a market environment which is more conducive for the protection of consumer interests. Two such laws are worthy of mention:

- i. **Competition Law** which prohibits anti-competitive conduct with an appreciable adverse effect on the market. It covers areas such as:
 - Prohibition of fixing of purchase or selling prices

- Ban on so-called horizontal arrangements, i.e. arrangements between business partners at the same economic level
 - Abuse of a dominant position in the market
 - Predatory behaviour towards competitors
 - Applying dissimilar conditions to equivalent transactions
 - Making the conclusion of a contract subject to acceptance by the other parties of supplementary obligations
- ii. **Regulation of advertisements.** It is recognised that consumers need to be protected even before they enter into a contract for the purchase of goods and services. Laws on advertisements take into consideration the need for adequate and clear information about the product or service offered, including information about quality, specifications, price and potential risks. Additionally, consumer laws aim to protect consumers from misleading and unfair advertising.

It must be emphasised that while there are many common areas, the coverage of the laws is by no means uniform in all the AMSs.

Table 3.2: Key Areas Covered By Consumer Laws in General.

CONSUMER PROTECTION IN GENERAL	Competition	Weight and Measures	Advertisements	Supply of Essential Goods	Multi-Level / Pyramid Market	Standardization Safety &	Unfair contract	Complaints and Redress Mechanism
BRUNEI DARUSSALAM		√	√	√			√	
CAMBODIA	√	√	√			√		√
INDONESIA	√	√	√			√	√	√
LAO PDR	√	√	√			√		√
MALAYSIA	√	√	√	√	√	√	√	√
RU MYANMAR		√		√		√	√	√
PHILIPPINES	√	√	√		√	√		√
SINGAPORE	√	√	√	√	√	√	√	√
THAILAND	√	√	√	√	√	√	√	√
VIETNAM	√	√	√		√	√	√	√

Note: Blank cells indicate no information or data available.

Governments in the AMSs have recognised that consumer protection legislation needs to be constantly updated in order to deal with new realities in the market place. The governments in the AMSs have been taking steps to ensure that consumer laws keep pace with the new and constantly shifting challenges faced by consumers as their economies develop and become more globalised. For example, laws have been put in place in response to new consumer products and services such as the internet and time-share facilities, as well as new forms of threats to consumers, such as violation of personal data, and aggressive, unsolicited marketing of credit to vulnerable consumers.

Additionally, as the concept and philosophy of consumer protection evolves, consumer laws are amended or new ones made which provide a greater degree of protection to consumers. For example, the principle of *caveat emptor* (let the buyer beware) which for long was the accepted principle underlying all consumer transactions, is no longer considered acceptable. It is now deemed incumbent on the supplier or seller to provide all relevant information which would enable the consumer to make an informed decision as to whether or not to enter into a transaction; for example it is increasingly accepted that financial institutions should provide full information about the true cost of credit in simple language when a credit facility is offered to a consumer.

Another example is with regard to contracts between suppliers and consumer; laws have been introduced to ensure that suppliers do not take advantage of their dominant position to impose unfair terms and conditions on consumers who may not have alternative sources of supply for that particular good or service.

It must be noted that consumer laws are often enacted in response to protection needs of the market place which is in a state of flux. Hence, irrespective of whether or not there is a principal consumer protection law in the country, consumer protection in the AMSs is provided by a range of legislation which is disparate and sometimes overlapping in nature and not in the best interests of the consumer.

Generally, consumer protection law specifically prohibits certain acts which are deemed to be violations of consumer rights, such as:

- Production and doing business in prohibited goods and fake goods
- Production, engaging in business and consuming goods and services which severely contaminate the environment, cause damage to the life and health of the people and which is contrary to the customs and traditions of the people.
- Provision of untruthful information and misleading advertisement
- Actions which aim to cheat consumers

3.1.1 Consumer Laws for the Selected Six Core Consumer Areas

In addition to the provisions contained in the principal consumer protection act and consumer laws in general, all AMSs have enacted legislation for protecting consumers in specific areas. This report covers six such core areas, namely:

- 1) Product Safety and Labelling
- 2) Phone and Internet Services and E-commerce
- 3) Consumer Credit & Banking
- 4) Environment
- 5) Healthcare Services
- 6) Professional Services (legal and medical)

It is not possible within the scope of this report to make a comprehensive listing or analysis of all the laws in each of the above-mentioned areas. The purpose of this report is to highlight key aspects under each of the six areas that are covered by consumer legislation. At the same time, an attempt is made to identify gaps which the governments of the AMSs could consider when reviewing their own consumer legislation.

3.1.1.1. Product Safety and Labelling

As market liberalisation gathers pace, new products and services are emerging, posing challenges for regulators and consumers. A common starting point for consumer protection in all the AMSs is legislation concerning product safety and the need for adequate information about the products. Governments usually regulate the safety and performance of products through mechanisms such as registration with Regulatory Authorities and Third-party Product Certification Schemes. Products which have a high probability of being hazardous, such as electrical appliances, cosmetics, medicines, safety equipment, and toys are required to be registered with a regulatory authority or to be certified by an approved third party as conforming to the requirements of a predetermined standard. A *Trade Description and Safety Requirements Act* is common consumer protection legislation in most of the AMSs.

Laws on product safety and labelling usually include the following:

- i. Laws to ensure minimum standards of hygiene and cleanliness in food, including preparation, packaging, storage and transportation. Food regulations also cover requirements to provide information on nutrition, ingredients and expiry date. In some cases, genetically modified food is required to be identified as such.
- ii. Laws to ensure safety and hygiene in food also relate to meat and fish, covering aspects such as slaughter of animals, storage, labelling and transportation of fresh meat and fish.

In some AMSs such as Brunei Darussalam and Malaysia, requirements for *halal* food are also specified by law. In the case of some other categories of consumer goods such as toys and electrical goods, there are regulations for safety requirements for example, batch testing/inspection, type approval and third-party product certification schemes.

Table 3.3: Aspects of Consumer Protection Laws related to Product Safety and Labelling (PSL), Phone & Internet Services (PIS) and E-commerce.

AMSs	Food Hygiene and cleanliness	Consumer Goods	Halal Food	Phone Services	Internet services	E-Transaction	Computer crimes	Privacy in Cyber Space
	PRODUCT SAFETY AND LABELLING			PHONES, INTERNET AND E-COMMERCE				
BRUNEI DS	√	√	√	√	√	√		
CAMBODIA	√	√		Draft				
INDONESIA	√	√	√	√	√	√	√	√
LAO PDR	√	√		√	√		√	
MALAYSIA	√	√	√	√	√	√	√	√
RU MYANMAR	√	√		√	√	√	√	
PHILIPPINES	√	√		√	√	√	√	
SINGAPORE	√	√		√	√	√	√	√
THAILAND	√	√				√	√	
VIETNAM	√	√		√	√	√	√	

Note: Blank cells indicate that information was not available at time of writing

3.1.1.2. Phones & Internet Services and E-Commerce

These are emerging concerns for consumer protection. Most AMSs have some form of consumer protection laws in this area. However, the range of specific issues in this area of consumer concern is wide and the degree of protection afforded is not always adequate. The list below, drawn up from the survey, is illustrative of the areas that need to be covered:

- i. Regulation of telephone services
- ii. Regulation of internet services
- iii. Electronic transactions issues (such as those covered by the Electronic Transactions Act 1998 of Singapore and in Malaysia)
 - Definition of electronic commerce (or “e-commerce”) where the internet is the mode of communication in business- to- business (B2B) as well as business to consumer (B2C) transactions e.g. online shopping or internet-banking
 - The identity and authentication of the generator of electronic records and messages
 - The legal recognition of electronic signatures

- The retention of records by electronic means
 - The integrity of electronic records transmitted over networks
 - The limitation of liability for network service providers
 - The formation and the validity of electronic contracts
 - The legislative framework for certification authorities and digital signature
 - The cross certification of foreign digital signatures
 - The use of electronic records and signatures, by government departments and statutory boards
 - Enforcement and investigation powers tailored for electronic transactions
- iv. Computer misuse and cyber crime
- v. Privacy in cyberspace

In the area of telecommunications, the *Communications and Multimedia Act 1998* in Malaysia illustrates many of the important consumer protection issues. They include License to provide telecommunications services and codes of practice and standards of performance in operating telecommunications systems.

3.1.1.3. Consumer Credit and Banking

The ASEAN region as a whole is increasingly recognised as an important economic grouping. In this context, consumer credit and banking have become significant consumer issues in all AMSs. Hence, consumer legislation is regularly being updated by governments to cover this area of consumer interest.

There are two basic policy guidelines for laws relating to consumer credit and banking:

- i. to furnish the consumer with accurate information about the true cost of credit provided
- ii. to encourage the development of fair and economically sound consumer credit practices

Some of the main areas with regard to consumer credit and banking that are protected by consumer protection legislation in the AMSs are summarised as follows (Table 3.4) :

- Provision of banking services
- Hire purchase
- Money laundering
- Pawn broking
- Credit card

Table 3.4: Aspects of Consumer Protection Laws related to Consumer Credit and Banking.

	Banking Services	Hire Purchase	Money Lenders	Pawn Broking	Credit Cards
CONSUMER CREDIT AND BANKING					
BRUNEI DS	√	√	√	√	√
CAMBODIA	√				
INDONESIA	√	√	√		√
LAO PDR	√				
MALAYSIA	√	√	√	√	√
PHILIPPINES	√	√	√	√	√
SINGAPORE	√	√	√	√	√
THAILAND	√		√	√	√
VIETNAM	√				

Note: Blank cells indicate no information or data available.

3.1.1.3.1. Banking and Financial Institutions

Legislation such as the *Law on Commercial Bank 2006* in Lao PDR, *Commercial Banking Act of 1962*, (revised 1979) in Thailand and Bank Indonesia Regulations provide examples of how the AMSs have addressed consumer protection issues in this area. The legislation covers matters such as:

- Licensing and regulation of financial institutions, in order to develop a sound prudential and regulatory framework to effectively supervise the financial system.
- Ensuring consistency in standards across banks, insurance companies, and securities firms.
- Preventing, and where necessary, providing redress for unfair practices committed by financial institutions
- Spelling out the duties and obligations of banks with regard to Bills of Exchange including cheques
- Regulating the aggressive and unsolicited offer/provision of financial goods and services by financial institutions.

3.1.1.3.2. Hire-Purchase

This is a popular source of credit for consumers in the AMSs, especially for the purchase of durable and semi-durable goods such as motor vehicles, electrical items and furniture.

Governments seek to safeguard the interests of consumer who make use of hire purchase facilities by enacting laws which specify the form and content of hire-purchase agreements,

regulate the deposits required for hire purchase as well as the interest payable, and specify the rights and duties of parties to agreements, especially with regard to forfeiture of goods when instalment payments are not made according to schedule.

3.1.1.3.3 Credit Cards

In almost all the AMSs there has been a prolific growth in the number of credit cards issued. As this form of credit and method of payment become more popular, there is an attendant increase in the number and types of problems faced by consumers. For example, when credit cards can be obtained too easily without the need to meet stringent financial requirements, increasing numbers of consumers are found to be in debt which they cannot manage, often leading to bankruptcy.

In many cases, the terms and conditions of credit this has a direct bearing on the true cost of credit, is confusing, bordering on misleading, and in turn results in aggravating the indebtedness of consumers. The governments in the AMSs are paying more attention to this area of consumer protection and putting in place legislation to address matters such as:

- Eligibility to acquire credit cards
- Clarity in terms and conditions of usage
- Maximum credit limit that can be made available
- Conditions under which amounts can be charged to a credit card such that the overall unsecured indebtedness can exceed the maximum credit limit.
- Debt restructuring and moratorium on interest to enable consumers in difficulty to settle outstanding debts without sinking deeper into debt

3.1.1.3.4 Pawnbrokers

Pawnbrokers are a traditional source of relatively small amounts of consumer credit, which is easy to obtain. In many of the AMSs, pawn broking activities are governed by legislation, such as the Pawnbrokers Act 1972 in Malaysia. Such legislation covers aspects of pawn broking such as registration of pawnbrokers, capping the amount of interest charged on the loans provided and protection of consumer interests especially when pawned goods are forfeited for failure to pay the interest. Nevertheless, problems still persist for consumers who use the services of pawnbrokers.

3.1.1.3.5 Money lenders

In all the AMSs, licensed and unlicensed money lenders constitute an important source of credit especially for people who are unable to meet the credit worthiness criteria set by banks and financial institutions. Recourse to “loan sharks” to obtain credit is not uncommon in the AMSs, while civil society and governments in the AMSs have expressed concerns over the unscrupulous and violent methods used by these loan sharks to recover loans.

Hence, many AMSs have enacted legislation to license and register money lenders, to regulate and to put a cap on interest charged. Examples of such legislation are *Money Lenders Act* in Brunei Darussalam and in Singapore.

These regulations are especially important in a situation where unlicensed money lenders are blatantly and aggressively promoting their services, at usurious rates.

3.1.1.4. Healthy and Safe Environment

Consumers' right to a clean and safe environment has been recognised by all AMSs and this is reflected in the many different forms of legislation that can be found in the region.

Examples of such legislation are the Law on Environmental Protection 1999 in Lao PDR.

The common environment-related legislation which has a bearing on consumer protection is indicated in Table 3.5 below.

Table 3.5: Consumer Protection Laws related to Aspects of the Environment.

	Air Pollution	Water Pollution	Noise Pollution	Hazardous Waste	Energy conservation	Environmental Public Health	Radiation
	ENVIRONMENT						
BRUNEI DARUSSALAM	Draft	Draft	Draft	√	Draft	√	
CAMBODIA	√	√	√			√	
INDONESIA	√	√		√	√	√	
LAO PDR	√	√				√	
MALAYSIA	√	√	√	√	√	√	√
RU MYANMAR	√	√				√	
PHILIPPINES	√	√	√	Draft	√	√	
SINGAPORE	√	√	√	√	√	√	√
THAILAND	√	√		√	√	√	
VIETNAM	√	√				√	

Note: Unmarked cells indicate no information or data available.

3.1.1.4.1. Air quality

All states have at least a basic law to address the need for clean air, by setting emission standards for industrial establishments, motor vehicles, and regulating open burning.

3.1.1.4.2. Water quality

A prime consideration would be to conserve and protect water resources from depletion and degradation. Hence, legislation has been enacted to regulate and control water pollution

by setting standards for discharge of effluents into waterways. The *Law on Water and Water Resources 1996*, in Lao PDR and *Water Resource Law No.18/2008* in Indonesia are examples of such legislation.

At the same time, some AMSs have enacted legislation and instituted mechanisms such as the *Water Forum Malaysia*, to enable consumers to monitor and provide feedback on water supply operators' compliance with stipulated service standards and to determine fair and efficient mechanisms to determine water tariffs.

3.1.1.4.3. Noise Pollution

This is another aspect of consumer concern that is being increasingly recognised and legislated upon. Therefore, there are laws to

- Set permissible noise levels in places of work such as factories and construction sites as well as to control the noise level in housing areas when highways are constructed in the vicinity.
- Measure, monitor and record the level of noise in areas where it can pose problems for consumers, and to take remedial action where necessary.

3.1.1.4.4. Environmental Public Health

With increasing urbanisation in all the AMSs, the need to address issues relating to environmental public health becomes more pressing. As such, in all these states there are laws dealing with matters such as:

- Cleaning of streets, removal of refuse, disposal and treatment of domestic and industrial waste, licensing of hawkers
- Open burning of refuse or waste
- Cleansing and maintenance of collection vehicles for general waste and general waste collection points
- Disposal of incinerable and non-incinerable waste
- Littering
- Prohibition of smoking in areas which can adversely affect the well-being of others, such as smoking in public vehicles, schools, cinemas, restaurants and public buildings.

3.1.1.4.5. Hazardous Waste

Recognising the dangers posed by hazardous waste usually generated by industrial and medical activities, some AMSs have laws such as the *Hazardous Waste Control Order 2011* in Brunei Darussalam, and the *Hazardous Substances Act B.E. 2535 (1992)* in Thailand, to regulate the safe handling and disposal of such waste. At the same time it has been found that hazardous waste from other (usually more developed) countries are finding their way into AMSs. More states, therefore, are implementing laws to control the import, export and transit of hazardous and other waste.

3.1.1.4.6. Energy conservation and eco-labelling

AMSs are taking more proactive steps to conserve energy as part of their efforts to protect the environment. Increasingly, ASEAN countries are introducing laws and regulations to govern claims of energy efficiency by suppliers, including the display and affixing of energy labels for products which use a high amount of energy such as air conditioners, clothes dryers, refrigerators and motor vehicles.

3.1.1.4.7. Radiation Protection

A relatively new area in which laws to protect consumers are being put in place is to control the import, export, manufacture, sale, disposal, transport, etc. of radioactive materials and irradiating apparatus. Singapore's *Radiation Protection Act* is an example of such legislation.

3.1.1.5. Healthcare Services

Privatisation, managed care, private health insurance and the growth in the number of private hospitals impact the health of the majority of ASEAN citizens. The debate on the merits and demerits of privatising this essential aspect of consumer well-being is an ongoing one. In the meanwhile, almost all the states in the region have made attempts to protect the interests of the consumer in this regard by enacting laws covering a wide range of health care issues. The following composite list, obtained from the current legislation in the various AMSs illustrates the healthcare issues that are covered (Table 3.6)

3.1.1.5.1. Medicines (Advertisement and Sale)

- No import of medicinal products except in accordance with a product license or an import license
- Prohibition of certain medical advertisements
- Promotion and regulation of traditional medicines, as a complement or alternative to western medicines
- Promotion of generic drugs and identification of medicines and drugs by their generic names

3.1.1.5.2. Private Hospitals and Medical Clinics

Licensing of and regulations governing private hospitals, medical clinics, clinical laboratories and healthcare establishments

3.1.1.5.3. Public financing of healthcare

- Provision of funds for public hospitals and health promotion.
- Establishment of endowment fund to assist those in financial hardship in funding their medical needs.
- National insurance scheme for critical illness

3.1.1.5.4. Private financing of health care

- Stipulating a compulsory medical savings scheme to provide funds to meet a portion of future personal or immediate family's health care expenses.
- Regulation of private medical and health insurance schemes.
- Regulations for employers to pay for private medical and health insurance schemes

Table 3.6: Aspects of Consumer Protection Laws related to Healthcare and Professional Services.

	Advertisement and Sale of medicines	Private Hospital/ Clinic	Health Financing	Traditional Medicine	Generic Drugs	Registration of Doctors	Registration of Dentist	Registration of Pharmacists	Registration of Traditional Medicines Practitioners	Legal Practitioners Registration
	HEALTHCARE					MEDICAL				LEGAL
BRUNEI DS	√						√	√	√	√
CAMBODIA	√					√				√
INDONESIA	√	√	√	√		√	√	√	√	√
LAO PDR	√	√	√		√	√				√
MALAYSIA	√	√	√	√		√	√	√	√	√
RU MYANMAR		√		√		√	√	√	√	√
PHILIPPINES	√		√	√	√	√	√	√	√	√
SINGAPORE	√	√	√	√		√	√	√	√	√
THAILAND	√		√			√	√		√	√
VIETNAM	√		√	√	√	√				

Note: Unmarked Cells denote that no information or data available.

3.1.1.6. Professional Services

3.1.1.6.1. Medical Professionals

Professional medical services are regulated by similar legislation in all the AMS. They generally cover the following:

Medical Registration Act

- Registration of medical practitioners
- Establishment of a Medical Council which governs the activities of medical professionals, with powers to suspend or revoke registration and impose financial penalties

Dental Registration Act

- Registration of dentists and oral health professionals
- Establishment of a Dental Council which governs the activities of dentists and oral health professionals, with powers to suspend or revoke registration and impose financial penalties

Pharmacists Registration Act

- Registration of pharmacists
- Establishment of a Pharmacy Council which governs the activities of pharmacists, with powers to suspend or revoke registration and impose financial penalties

Traditional Medicine Practitioners Registration Act

- Registration of traditional medical practitioners
- Establishment of Traditional Medicine Practitioners Board with powers to suspend or revoke registration and impose financial penalties

3.1.1.6.2. Legal Professionals

- Professional legal services are regulated by similar legislation in all the AMS, such as the Legal Profession Act, 1987 in Brunei Darussalam. These laws have provisions such as:
 - Registration of legal practitioners
 - Establishment of a professional association of legal practitioners (e.g. Bar Council) by statute which regulates the activities of legal practitioners.
 - Determination of costs (fees) to be charged for common services provided by legal practitioners.

3.1.2 Criteria for Effective Consumer Laws

In reviewing the consumer protection legislation in the AMS, the *UN Guidelines for Consumer Protection of 1985*, provides a framework for reference. These guidelines recognise that consumers often face imbalances in economic terms, educational levels and bargaining power; the UN Guidelines advocate that consumers should have the right of access to non-hazardous products, as well as the right to promote just, equitable and sustainable economic and social development and environmental protection. It can be argued that consumer protection legislation in the AMSs, by and large, do recognise the principles embodied in the above mentioned guidelines. On the other hand, as has been stated by Asher⁸, many of these laws confer rights without contemplating how difficult it might be to exercise them⁹. It is

⁸ "Australia's Trade Protection Act- A model for Consumer Protection", Asher, Allen in *Developing Consumer Law in Asia*, 1994, Rachagan, Sothi. S (ed.), University Malaya.

⁹ "Australia's Trade Protection Act- A model for Consumer Protection", Asher, Allen op.cit

important therefore to incorporate into the legislation, avenues for the consumers, especially those with little resources, to obtain redress effectively, when needed.

Consumer protection legislation can also be measured against the eight consumer rights that have been promoted by Consumers International. Viewed against the backdrop of the eight consumer rights, it is possible to identify certain areas where consumer legislation could be reviewed and amended for greater effectiveness.

With regard to the right to safety, manufacturers, importers and in some cases, retailers should be made strictly liable for damage caused by defective goods which they supply. In addition, goods should be reasonably fit for the purpose for which they are normally purchased, or for the purpose for which the consumer bought them (where he or she has made known the purpose to the seller).

In the case of redress, current laws in the AMSs would require the aggrieved consumer to resort to legal action against the supplier. Such a course of action is time-consuming and often beyond the means of the consumer. Consumer laws should provide for much simpler avenues for redress and also provide more flexibility and authority for state sponsored consumer protection agencies to use greater discretion in acting on behalf of consumers who need redress.

The right to be heard can be given greater substance if there are laws to provide for consumer protection agencies to research into the protection needs in specific market segments and to act as advocates on behalf of consumers.

There are not many laws in the AMS relating to the right to consumer education. Consumer education activities are usually carried out by non-governmental consumer protection organisations; on the other hand similar activities implemented by government agencies are often patchy and done on an *ad hoc* basis. It would help if there are laws which impose a specific obligation on the part of consumer protection organisations or government agencies that conduct consumer education activities to report on its performance and effectiveness on a regular basis.

In the final analysis, as has been succinctly articulated by John Wood in *“What Consumer Laws Should Do”* (1996), consumer laws would be expected to:

- i. Protect consumers from products or services which are dangerous or unsafe, or whose use might cause injury to others;
- ii. Require all necessary information to be given to consumers about the goods and services they acquire, especially in relation to therapeutic goods and toxic products;
- iii. Encourage consumers to acquire only the things they need;
- iv. Ensure consumers can participate in the development of policies which affect them, including giving consumer representatives access to the media;

- v. Provide consumers with cost-effective, speedy and accessible means to enforce their legal rights, provide consumers with a right to compensation if they are injured as a result of unsafe goods or faulty services;
- vi. Establish procedures which ensure consumers are informed about their consumer rights
- vii. Protect consumers from pollution of the environment, encourage the promotion of ethical and socially responsible practices by the producers and suppliers of goods and services;
- viii. Promote the provision of information to consumers about products and substances which may adversely affect them, protect consumers from unethical, unconscionable, and illegal practices especially in the supply or supervision of health; housing and accommodation; education; water; energy; financial services; employment; retirement services; children's services; insurance; investment services; and food.

3.1.3 Complaints

Complaints are the windows to consumer problems in a country, locality and community. Many consumer laws owe their existence to the fact that consumers made the effort to complain and seek redress. Inadequate laws therefore are amended when complaints reveal their weaknesses. Main consumer complaints in the AMSs are summarised in Table 3.7, Table 3.8 and 3.9.

Brunei Darussalam

High prices in general were seen as the main complaints from consumers in Brunei Darussalam followed by “increases in prices of essential products and services” and “limited warranty” (Table 3.7). Issues related to mobile phones (including warranty card and battery problems) as well as issues related to cars (including warranty and spare parts) were seen as other complaints.

Cambodia

In Cambodia, the main consumer complaints related to goods were “poor quality products”, “difficulty to get replacement or spare parts”, “increase in prices of essential goods” as well as “lack of labelling on products”. In terms of services, Cambodian consumers complained more about financial institutions (interest rates, procedures for borrowing and risks related to property); telecommunications (price, quality of services, technical and customer service); healthcare services (hospital equipment, inexperienced doctors, poor services in hospitals); environment services (poor waste collection); quality of education; and complaints related to unstable energy prices, and lack of accessibility of electricity in rural areas.

Indonesia

The main complaint related to goods by Indonesian consumers was identified as housing matters in relation to quality; and complaints associated with electronics such as audio visual equipment, mobile phone, warranty and quality, spare-parts, computers etc. are ranked as

the second main complaint among consumers. Consumer issues related to household appliances (safety and quality), automotives (spare parts) and food (hygiene and safety) were also among the main consumer complaints in Indonesia in 2009 according to Yayasan Lembaga Konsumen Indonesia, the Indonesian consumer organisation.

In terms of services, the main complaints by consumers in Indonesia are related to “Banking” (interest rates customer service, “Telecommunications” (charges, services, quality), “Water” (affordability and quality), “Electricity” (affordability and quality), “Insurance- unfair contract terms” and “Transportation- poor services”.

Lao PDR

Consumers in Laos complained more about issues related to fake goods, as fake goods, e.g. medicines, are sub-standard and hazardous to health. Furthermore, as consumers chose to buy fake branded goods of poor quality available in the market, consumers were not getting value for their money without any warranty provided. Other complaints were related to misleading advertisements, expired goods, and cheating by sellers on weights and quantity of products. The main complaint related to services in Lao PDR was about internet use which frequently had technical problems. The prices of medical services, including medicines, were among the major complaints related to healthcare. Other issues such as dumping of waste by factories into water sources, air pollution, as well as odour caused by animal farms were also the concern of Laotian consumers.

Malaysia

In Malaysia, the five main consumer complaints related to goods are “poor quality products”, “unavailable replacement parts”, “adulterated food”, “unsafe toys”, “increase in prices of essential goods (sugar, cooking oil etc.)” and “unfair contract terms”.

The main complaint related to services among consumers in Malaysia is linked to financial institutions (exorbitant charges and interest rates for credit cards and poor services). Complaints about the communication industry (poor broadband services, and poor technical and customer services) are also among the main complaints related to services in Malaysia. Other complaints in the context of services are about housing (quality of issues, abandonment); fitness centre services (unable to get refund and membership cancellation); and waste management (rubbish collection).

The Republic of the Union (RU) of Myanmar

In Myanmar, consumers face potential harm and health risks arising from the presence of hazardous chemicals such as pesticides, lead and mercury in products and the environment. Some consumer complaints related to products and services include¹⁰:

- Increase in prices of goods (due to lack of price control mechanisms in place)
- Actual shelf-life of products is shorter than advertised or notified to consumers

¹⁰ Information received from Stakeholder consulted in the Secondary Data Collection Instrument of this Study

- Limited availability of product spare-parts, especially in rural areas
- Poor design and quality of goods

Philippines

Consumers in the Philippines reported the rising cost of water, LPG and electricity supply as their main consumer complaints. This complaint was seen as a consequence of privatisation of public sector agencies which provide basic utilities for water and electricity. Increasing prices of basic commodities like milk was the second main complaint of Filipino consumers. Prices of medicines and safety of toys, drugs and cosmetics containing hazardous products were among the main complaints filed by consumers in Philippines. Consumers in the country were also concerned over dishonest promotions and substandard products.

In term of complaints related to services, Filipino consumers file complaints more on poor internet services (broadband, Wi-Fi), e-load issues, spam messages and misleading promotions. The other complaints related to services are prohibitive cost and fees in private hospitals; followed by waste management; lack of facilities; and excessive user rates and deficient water service under privatisation.

Singapore

Unlike the other AMSs, in Singapore, the main complaints related to goods and services involved “motorcars” (spare parts); followed by “electrical goods and electronics” (quality and limited warranty); and “furniture” (quality).

In terms of complaints related to services, consumers in Singapore complained more on “timesharing” (unfair terms); “beauty” (refund and contract cancellation); “education” (quality); “real estate” (maintenance)”, “tourism”-(complaints on poor services); “maid agency” (poor services by agents) and “contractors”.

Thailand

In Thailand, the main consumer complaint was related to real estate (prices and quality). Other consumer complaints in Thailand were about misleading advertising, scams related to direct selling and direct marketing. This is based on information cited from the Office of Consumer Protection Board.

In terms of consumer complaints related to services, the main complaints were about telecommunications (quality of services), banking (high interest rates), public utility (tariffs and quality), nurseries (poor services) and insurance (difficulty to claim).

Vietnam

The main consumer complaints related to goods and services among consumers in Vietnam are poor quality products (limited or absence of warranty) and unsafe food. The second and third main complaints are also related to rising prices, of ‘basic commodities’ and ‘milk and

medicines'. Surprisingly, “insufficient petrol” was seen as one of the complaints among consumers in Vietnam.

Complaints on financial institutions (related to exorbitant charges and interest rates for credit cards and poor services) were identified as the main consumer complaint related to services in Vietnam. The other consumer complaints in Vietnam involve the communication industry. The complaints are poor broadband services, poor technical and customer service. Consumers are also dissatisfied with basic services such as water and electricity supplies.

3.2 ENFORCEMENT OF CONSUMER LAWS

When consumers suffer as a result of poor services, faulty goods or unfair treatment, they expect to get their money back or be compensated. Consumers, particularly low income and poor consumers can ill afford to lose money on shoddy goods or poor services. Government enforcement of consumer law has focused on preventing unfair business practices through enforcement orders and prosecuting offenders. This is important in improving consumer protection in the market place but is rarely helpful for consumers because enforcement actions by the authorities do not necessarily include redress for consumers. Enforcement of consumer laws is usually carried out by dedicated government agencies in relation to the different sectors. However due to the overlapping cross sectoral consumer concerns where more than one agency is involved, enforcement of these laws are sometimes weak due to the lack of inter agency coordination.

Furthermore, enforcement of consumer laws is encountering new challenges in the digital age. The internet is transforming the way consumers in AMSs buy goods and services. Cross border transactions are becoming more common, with consumers and suppliers being subject to different sets of legislation in their respective countries. The internet therefore presents both opportunities and threats to consumers in the area of consumer protection.

Table 3.7: Main Consumer Complaints in AMSs Related to Products for the year 2009.

Countries	Main Complaints				
	1st	2nd	3rd	4th	5th
Brunei Darussalam	Complaints on high prices of products in general viz- a viz income	Prices of essential goods are constantly increasing	Limited warranty for mobile phones	Limited warranty and difficulty in obtaining spare parts for cars	
Cambodia	Poor quality products, no price tagging	Difficulty to get replacement or spare parts	Increased prices of essential goods (sugar, garlic, cooking oil, vegetable, gasoline, petrol)	Lack of labelling on products	
Indonesia	Housing (quality)	Electronics (quality and limited spare parts)	Household appliances (quality and safety)	Automotives (quality, limited spare parts)	Food (hygiene, safety and quality)
Lao PDR	Fake goods are available in the market – substandard and hazardous	Customers choose to buy fake branded goods of poor quality, no warranty and not value for money	Misleading advertisements	Consumers purchase expired goods, no proper labelling and consumers are unaware	Cheating by sellers of weights & quantity of goods/products
Malaysia	Poor quality products	Difficulty to get replacement or spare parts	Tainted/ adulterated food, unsafe toys, etc	Increased prices of essential goods (sugar, cooking oil)	Unfair contract terms, exclusion clauses
RU Myanmar	Increase in prices	Misleading labelling	Limited availability of goods		

Table 3.7: Main consumer complaints in AMSs related to Products for the year 2009.
(continued)

Countries	Main Complaints				
	1st	2nd	3rd	4th	5th
Philippines	Price increases of basic commodities (e.g. food)	Imposition of a Maximum Drug Retail Price (MDRP) to allow market forces and competition to decide drug prices, instead of the government setting a ceiling	Proliferation of products (e.g. toys, drugs and cosmetics) containing hazardous substances	Dishonest promos, substandard products and overpriced merchandises	
Singapore	Automotives – difficulty in acquiring spare parts.	Electrical goods and electronics – quality and limited guarantee	Furniture - quality		
Thailand	Real estate – high prices and quality	Advertising - misleading	Direct sales and direct marketing - scams		
Vietnam	Complaint on poor quality product, limited or no warranty	Tainted/poor quality food	High and increased prices for milk and medicines	Insufficient petrol	

Table 3.8: The main consumer complaints in AMSs related to Services for the year 2009.

Countries	Main complaints					
	1st	2nd	3rd	4th	5th	6th
Indonesia	Banking- Interest rates and customer service	Telecommunications – charges, quality of services	Water- Affordability & quality	Electricity- affordability and quality	Insurance - unfair contract terms	Transportation – poor services
Malaysia	Financial institutions – credit card, exorbitant charges/interest rates, poor services	Communications industry- poor broadband services, technical and customer services	Housing- abandoned housing schemes by developers, consumers have to continue paying loans taken.	Fitness centre services – consumers unable to get refund for membership cancellation	Misleading advertisements – health claims, hidden charges	Waste not properly separated by the garbage collectors, despite being properly separated at the household level
Philippines	Poor internet connection / erroneous billing, vanishing prepaid load cards, digital subscriber line Wi-Fi problems, e-load issues, spam text-messages, misleading promos	Prohibitive cost and fees in private hospitals	Garbage collection, solid waste management concerns	Lack of facilities, medicines, and personnel in public hospitals	Excessive user rates and deficient water service under privatisation	
Singapore	Timeshare – unfair terms	Beauty – refund and contract cancellation	Education – quality and pricing	Real estate – maintenance	Tourism – consumer complaints on poor services	Maid agency - poor services

Table 3.9: Consumer complaints in AMSs related to services (telecommunication, hospitals, banks, environment services) for the year 2009.

Countries	1st main complaint	2nd main complaint	3rd main complaint	4th main complaint	5th main complaint	6th main complaint
Brunei Darussalam	Mobile phones; including warranty card and battery problems	Car related issues, including warranty and spare parts	-	-	-	-
Cambodia	Complaints on financial institutions interest rates, difficult to borrow, risk related to property	Complaints on telecommunication price, quality of service, fixed price, technical and customer service	Complaint on hospital as experience and quality of doctors, equipment, poor service, bed place in hospital, wrong diagnosis	Complaints on environment services especially in rural areas, air pollution in city, poor waste collection	Complaints on quality of education	Complaints related to unstable energy, prices, higher price on utility for private sector, lack of electricity in rural areas
Lao PDR	Internet users complain of the speed and quality of broadband low, frequent technical breakdown	High price for medical services including medicines	Factories dump waste in water source, air pollution	People in some communities suffer from bad smell from animal farms (e.g. pig farm)	-	-
Thailand	Telecommunication services – quality of service	Banking services – high interest rates, poor services	Public utility services – high rates and low quality	Nursery services – poor services	Insurance - difficult to claim	-
Vietnam	Complaints on financial institutions - credit card, exorbitant charges/interest rates, poor services	Complaints on communications industry - poor broadband services, technical and customer service	Complaint on water and electricity supply	-	-	-

3.3 REDRESS MECHANISMS IN ASEAN

The right to redress means the right to a fair settlement of just consumer complaints. Consumer redress mechanisms are an essential element of consumer sovereignty and an integral part of an effective marketplace. For example, Small Claims Courts, Consumer Claims Tribunals, Mediation Bureaus, and Complaints Centres are redress mechanisms that are designed to be easily available to consumers in the legal system.

Examples of redress mechanisms in AMSs:

- Alternative Dispute Resolution – Singapore, Indonesia, Philippines
- Bureau of Trade Regulation and Consumer Protection - Philippines
- Consumer Complaints Bureau – Vietnam, Singapore, Malaysia, Philippines etc.
- Economic Police – Lao PDR
- Industry-Linked Consumer Redress – Philippines, Malaysia, Singapore
- Medical and Legal Disciplinary Councils – All nine AMSs
- NGO Consumer Complaints Centres – Malaysia, Singapore, Philippines, Cambodia, Indonesia, Thailand
- Organisation of Economic Dispute Settlement – Lao PDR
- Public Complaints Bureau – Malaysia
- Regulatory Authorities e.g. Telecommunications Commissions, Consumer Forum, Competition Commission – Malaysia, Singapore, Vietnam, Thailand, Philippines, Indonesia, Brunei Darussalam
- Relevant Government Ministries – All 10 AMSs
- Small Claims Courts - Malaysia, Singapore
- Traditional Dispute Resolution – Cambodia
- Tribunals – Malaysia, Singapore

3.3.1 Redress through Decentralisation Policies

In countries, where access to redress mechanisms have been decentralised, consumers are able to file complaints at the local levels e.g. at local councils, or barangay.

3.3.2 Redress through Tribunals

Consumer claims tribunals have characteristic features of democracy and are established under a statute e.g. Principal Consumer Protection Acts, with the objective of providing cheap, accessible, simple and flexible remedies to consumers.

3.3.3 Redress through Alternative Disputes Resolution (ADR) Procedures

ADR mechanisms have been recognised as a channel to resolve consumer disputes speedily with less cost. ADR procedures are based on negotiation, conciliation, mediation, arbitration and neutral evaluation.

3.3.4 Redress through Codes of Conduct

Some businesses, industry associations and professional organisations have established self-regulating Codes of Conduct or ethics for redress of consumer grievances. Table 3.10 shows some examples of codes of Conduct in AMSs such as:

- i. Codes of Conduct for Legal and Medical Professions
- ii. Advertising Codes
- iii. Procedures adopted by Chambers of Commerce

3.3.5 Challenges in Effective Implementation of Redress Mechanisms

Delivering justice to aggrieved consumers is the objective of a redress system. However, the existence of redress mechanisms by themselves does not ensure that consumers will have access to redress. During the course of this research a number of obstacles to redress mechanisms by consumers, were identified.

Among the main challenges in the effective implementation of redress mechanisms in the AMSs are the following:

- i. Lack of awareness among consumers on laws that provide for consumer redress
- ii. Difficulty to access avenues for redress e.g. relevant government agencies, consumer groups, business associations or professional organisations as most of these agencies or organisations involved in consumer redress are urban based.
- iii. Procedures for filing complaints are technical and time consuming.
- iv. Assistance from voluntary organisations is not easily accessible.
- v. Digital Divide: In a number of AMSs, online consumer complaints are encouraged. However, given the Digital Divide in the ASEAN region, consumers who are adept in the use of online channels to seek redress are mainly the urban, middle class and young consumers. Redress mechanisms which rely heavily on the internet tend to discriminate against rural, illiterate and poor consumers.

Table 3.10: Examples of Codes of Conduct for Industries in AMSs.

Countries	Codes of conduct in place for industry in AMSs					
Brunei Darussalam	Good Medical and Dental Practice					
Cambodia	Code of Medical Ethics	Code of conduct for products	Code of Advertising Practice	Code of Conduct for promotions on TV	Code of Internal Auditor Ethics	
Indonesia	Pharmaceutical Industry Association	Advertising Code of Conduct	Medical Doctors' Code of Ethics (Indo)			
Lao PDR	Not Available					
Malaysia	Repossessor's Codes of Conduct	Codes of Professional Conduct	Codes of Medical Ethics	Codes of Ethics (Housing Developers - REDHA Malaysia)	Malaysian Codes of Advertising Practice	
RU Myanmar	Not Available					
Philippines	Internet and Mobile Phone Advertising Code of Ethics	Electronic Industry Code of Conduct (EICC)	The apparel Industry and Codes of Conduct	Code of Pharmaceutical Marketing Practices	Service Code for Consumer Banking	Standards of Trade & Practices and Code Manual of Advertising Board of the Philippines
Singapore	Singapore Code of Advertising Practice	Internet Code of Practice	Telecom Competition Code	Premium Rate Services Code	Legal Profession (Professional Conduct) Rules	
Thailand	Debt Collecting Code	Medical Code/Engineering Code	Marketing Code	Insurance Code	Advertising Code	Lawyers' Code
Vietnam	Code of Medical Ethics	Code of Advertising Practice	Code of Conduct in some branches (textiles, garment, sea products, manufacturers)	Code of the use of female and child labour	Mechanism for interaction between employers and employees	

3.4 PROGRAMMES AND ACTIVITIES RELATED TO CONSUMER PROTECTION IN ASEAN

There are many common elements in the programmes and activities for consumer protection in all AMSs, although there is much variation in their content and scope. Some examples of these programmes are outlined below. A more detailed listing of the programmes and activities is provided in the country reports of the individual AMSs that form part of the AADCP II project.

Brunei Darussalam

Product Safety and Labelling: Programmes and mechanisms for consumer protection include product registration, farm accreditation, product certification, health labelling, spot checks and product recalls.

Consumer Credit and Banking: Financial institutions organise campaigns to improve financial literacy among consumers and public service announcements are made on radio and television on hire purchase traps and pyramid schemes.

Environment: Various government departments undertake consumer education activities that focus on the environment. The Division of Energy organises a yearly Energy Week to promote the use of energy-efficient products. Information on energy saving products and practices is disseminated to consumers. Air quality announcements are relayed through the media. Consumers are encouraged to reduce the use of plastics and to adopt rainwater harvesting. The sustainable development agenda is taught in primary and secondary schools. The Environmental Youth Envoy programme has been initiated to engage youth in environmental protection.

Healthcare Services: The government's health promotion programme targets all schools, addressing issues like obesity, drug abuse, tobacco use and nutrition. Promotional campaigns for the public include public sanitation, women's health, healthy lifestyle, infectious disease control and unsafe medicines and cosmetics.

Enforcement: Two examples of good enforcement practices can be cited. These are the ban on cigarette smoking in public places, and rules on road safety and road vehicle use.

Planning and Prevention: An example of consumer-related programme planning is The National Road Safety Council's Brunei Priority Road Safety 5-Year Action Plan that aims to reduce injuries, save lives and increase compliance on helmet and seatbelt wearing. The media's role is integrated into the Road Safety Awareness Programme.

Consumer Education and Awareness: The 3Rs (Reduce, Reuse, Recycle) concept is promoted to all stakeholders as a strategy to minimise waste generation. The Ministry of Education promotes good consumer behaviour through the use of IT in education. In addition, there are activities involving the Department of the Environment, like a Green Carnival and a cleanliness competition.

Cambodia

Product Safety and Labelling: A Cambodian standard for the certification of agricultural products has been introduced.

Consumer Credit and Banking: Microfinance loans are an important source of finance for Cambodians. The largest lender by number of borrowers, Amret Bank, has 228,231 borrowers, and manages a loan portfolio of US\$56.27 million. Due to the success of the microfinance model, alternative sources of finance such as pawn broking and hire purchase are relatively less used.

Environment: There are a large number of NGO-run environmental programmes in Cambodia, most of which concern either conservation of water resources or sustainable agriculture. The Cambodian Institute for Research and Rural Development (CIRD), for example, promotes standards for agricultural products, sustainable agriculture and organic production. One of the main strategies used by CIRD for capacity building is to train rural youth.

Healthcare Services: The NGO Gret has established a not-for-profit health insurance programme SKY in partnership with the public health service.

Consumer Education and Awareness: Consumer education campaigns are undertaken by the Directorate-General of the Cambodia Import-Export Inspection and Fraud Repression (CAMCONTROL), Ministry of Commerce. These include seminars for businesses, trades people and students on legislation and various consumer issues. Training at the school-level is conducted by CAMCONTROL-trained trainers. Publications on consumer issues are distributed, and paid television advertisements and public service announcements are used to reach consumers.

The Ministry of Post and Telecommunications conducts consumer awareness campaigns mainly through the service providers and occasionally through the media, by providing occasional technical bulletins and holding workshops.

Indonesia

Product Safety and Labelling: The National Consumer Protection Agency (NCPA) issues alerts on expired products.

Phone, Internet and E-Commerce: The Indonesian Telecommunications Regulatory Authority undertakes socialisation and public consultations on regulatory issues.

Consumer Credit and Banking: The NCPA lobbies the finance department to enact a law on leasing.

Environment: Government programmes by the Ministry of Environment include environmental issues such as analysis of eco-friendly claims. The Wahana Lingkungan Hidup Indonesia (WALHI), an NGO, conducts research into 70 areas involving the environment. It also prepared the draft implementation plan of the Environment Act No. 32, 2009.

Consumer Education and Awareness: The Consumer Dispute Settlement Board spreads awareness on consumer protection issues to local government officials. The board produces posters on consumer protection issues jointly with retailers. The Indonesian Medical Council addresses health issues such as the socialization of the Medical Practice Act. The

central bank conducts awareness campaigns on money laundering, financial literacy, savings and other financial issues and produces comics and films on these themes.

The telecommunications authority engages with the public to obtain feedback on industry issues, while the consumer protection agency reaches students through its Smart Consumer programme. The Jakarta water supply authority holds dialogue forums for consumers and conducts consumer satisfaction surveys.

NGOs undertake campaigns on food security and safety and to raise awareness of internet content issues. The Indonesia Consumer Organisation uses radio talk shows to raise awareness of consumer issues.

Lao PDR

Product Safety and Labelling: Testing of food and product safety is conducted by laboratories under the Ministry of Public Health and the Ministry of Forestry and Agriculture.

Phone and Internet Services and E-commerce: The National Internet Committee organises twice-yearly seminars for internet café operators and computer business operators on internet issues and produces relevant publications towards ensuring quality services are delivered to consumers.

Consumer Credit and Banking: The Bank of Lao PDR plans to undertake an awareness programme about bank services and the importance of investing savings.

Environmental Quality and Services: The Ministry of Forestry and Agriculture uses loudspeaker broadcasts for their awareness campaigns, reaching even those who do not have or use televisions or radios. The use of community radio is being trialled in pilot programmes.

Healthcare Services: The MoH and NGOs undertake consumer education covering nutrition, infant health, clean water, malaria and sanitation in villages. Information provided to the community is tailored to the cultural and religious sensitivities of particular tribes and ethnic groups.

Professional Services: The Lao Bar Association assists the poor and vulnerable persons in remote areas to gain access to justice.

Consumer Education and Awareness: Some consumer issues are examined at the tertiary education level, but only as relevant to particular courses, e.g. environmental awareness in water resource management. The Food and Drug Department, Ministry of Public Health conducts consumer awareness campaigns using the electronic media, bulletins, pamphlets and posters are displayed at public markets, hospital wards and other locations where consumers will see them.

Malaysia

Product Safety and Labelling: Standards awareness campaigns and road shows for the public are organised by Standards Malaysia in collaboration with the Ministry of Domestic Trade and, Co-operatives and Consumerism (MDTCC). The Federation of Malaysian Consumer Associations (FOMCA) undertakes market surveillance on toys to enhance enforcement of regulations.

Phone and Internet Services and E-commerce: The Communications and Multimedia Consumer Forum of Malaysia and Malaysian Communications and Multimedia Commission Content

Forum, consisting of industry and civic groups and individuals, strive to improve customer and consumer service in the industry.

Consumer Credit and Banking: Programmes undertaken by Bank Negara, the central bank, for the general public include financial literacy, a financial newsletter 'Ringgit', booklets on consumer credit and outreach programmes on credit management by its Financial Mediation Bureau. FOMCA conducts a national campaign on financial literacy.

Environmental Quality and Services: Environmental awareness for students is promoted through 3R campaigns, waste separation, energy saving, energy efficiency, household waste composting, water conservation and reduction of the usage of plastics. The Ministry of Energy, Green Technology and Water undertakes a range of programmes to raise awareness of green technology.

Healthcare Services: The Ministry of Health (MoH) communicates issues concerning public health directly to doctors. Reports of adverse drug reactions from health professionals and the public are captured under a monitoring programme. Programmes for the public include anti-smoking campaigns and healthy living campaigns. The National Pharmaceutical Control Bureau conducts market surveillance involving the testing and checking of registered products.

Consumer Education and Awareness: Consumer education programmes undertaken by government institutions cover a broad range of issues and are targeted at various sectors. They include communications on product safety and labelling, food safety campaigns for school children, seminars and road shows on standards for the public, students and industry, seminars on social responsibility, training-of-trainers (ToT) and teachers on standards, hygiene, and programmes on environment, safety and health.

The MDTCC has produced a Consumer Guide (Panduan Pengguna) for schools and clubs that has been in use since 1993 and is now in its 5th reprint. The ministry trains public officers in consumer awareness. Activities are organised nationwide on Consumers Day to promote public awareness of consumer issues. A campaign to encourage reduced sugar consumption and a "Consumer Power" road show are among the ministry's activities. Training of Trainers activities cover current and emerging consumer concerns.

NGO programmes for consumers, including youth and government servants cover issues such as awareness of standards for safety and the environment, consumer complaints, recycling, organic food, financial literacy, sewerage services and healthcare quality. These include programmes targeted at government servants. The National Consumer Complaints Centre, an NGO-run service, organises consumer education activities for the public, university students and youth.

The Republic of the Union of Myanmar

Environmental Quality and Services: A National Environmental Policy has been adopted to ensure the incorporation of environmental concerns in planning for economic development. Myanmar has entered into a number of international and regional environmental agreements along with UNDP's Greenhouse Gas Emission Reduction Plan in Asia and the Project on Regional Cooperation on Global Climate Change coordinated by ECOSOC.

Consumer Education and Awareness: Consumer education programmes are mainly related to environmental issues. There are two categories of environmental education namely: "Education for All," is a national Environmental Education programme sent in non-formal settings. The programme emphasises environmental themes, especially those relevant to the lives of women and girls such as population control, energy problems, consumption of natural resources, soil preservation, health care, and home economy.

Environmental Education in schools is implemented through the new curriculum in the Education System of Myanmar which places special emphasis on fostering good citizenship, the relationship between human life and natural phenomena, curiosity about the natural environment, and understanding the importance of natural resources for daily life. At the university level, there is a programme called "Improving Access of Children, Women and Men of the Poorest Communities to Primary Education for All," which began in 1996.

Road safety programmes for the public are carried out biannually in Yangon.

The Myanmar National Committee for Women's Affairs is tasked with promoting the advancement of women especially at the grassroots and border communities.

Philippines

Complaints Handling: The Department of Trade and Industry (DTI) operates a consumer hotline, to which 24% of issues raised relate to consumer welfare.

Product Safety and Labelling: The Bureau of Product Standards conducts a consumer education programme on mandatory standards that targets students, the private sector and NGOs. The National Food Authority conducts seminars on product standardisation, rice fortification and consumer assistance programmes.

Phone and Internet Services and E-commerce: The National Telecommunications Commission conducts consumer education and awareness programmes for local government units and the public.

Consumer Credit and Banking: Consumer credit and banking programmes cover financial literacy and investment awareness for high school students plus basic and general financial literacy for primary and secondary school students.

Environmental Quality and Services: Environmental awareness through media campaigns is undertaken by NGOs on issues like environmental protection and climate change.

Healthcare Services: Healthcare awareness programmes are conducted by the Department of Health through multiple media channels on issues like smoking and health, anti-dengue measures and the promotion of breastfeeding. Professional medical associations have joined the department of health in promoting healthcare through television.

Professional Services: The Department of Justice (DOJ) established a legal assistance centre, DOJ Action Centre, to act on complaints, legal inquiries of walk-in clients on criminal issues. Also, the Public Attorney's Office (PAO) of the DOJ provides free legal representation, assistance and counselling to indigent persons in criminal, civil, labour and administrative cases.

Consumer Education and Awareness: Consumer education began to be integrated into the formal education curriculum from June 2010 in collaboration with the DTI. Consumer education is taken to the community through the *KaKaMPi ko si Barangay CAPT*, which involves mainstreaming consumer education in local communities with *Barangay* officials

The Department of Education has initiated a pilot project to train teachers on the use of consumer education instruction materials.

Specific consumer awareness and education programmes for various segments for society are carried out for key issues. These include product safety and labelling for out-of-school youth, as well as programmes on phone and internet services and e-commerce.

The waterworks authority undertakes a public assessment of water services, which is being replicated in other Asian countries. General consumer protection programmes are undertaken by the DTI. Seminars and training courses cover consumer rights and responsibilities and fair trade laws. Activities are organised during Consumer Welfare Month, in October. Radio programmes on consumer issues are aired. The Certified Establishment Programme, a self-regulated mechanism, recognises establishments that uphold the rights of consumers and employ responsible business practices. A DTI campaign works to strengthen consumer organisations by enlisting the support of schools.

Sector specific initiatives include consumer hotlines, information technology-based consumer information systems, a trainers' network, integration of consumer education in all government agencies and non-government institutions and the enhancement of consumer legislation and consumer policy on consumer education. A number of NGOs focus on consumer issues. These include programmes on consumer rights and responsibilities, electricity rates, mobile phone services, rice, water resources and health advocacy. The market vendors' cooperative educates its constituency on branding, handling and preservation of agricultural produce.

Singapore

Product Safety and Labelling: Government programmes include a product safety and labelling education programme and national survey, health awareness through the media and food safety mobile exhibitions. In the NGO sector, the Consumers Association of Singapore (CASE) organises monthly seminars on a range of consumer issues. The Direct Selling Association holds public forums.

Consumer Credit and Banking: The Monetary Authority of Singapore conducts a national financial education programme. The Association of Banks in Singapore holds regular seminars on investment products and their risks. Private sector activities include talks on consumer credit and public forums on property issues.

Environmental Quality and Services: To prepare Singapore for the next decade, the Singapore Green Plan, a master plan for environmental protection and improvement was prepared in 1992. Environmental awareness is promoted through the Green Labelling scheme. Awareness drives on energy efficiency and anti-littering campaigns are organised by the National Environment Agency.

Consumer Education and Awareness: CASE has organised consumer education campaigns, World Consumer Rights Day activities, a financial literacy seminar, healthcare financing seminar, etc.

Thailand

Product Safety and Labelling: The Thai Industrial Standards Institute encourages enterprises to adopt its standards. Food safety and quality programmes are undertaken by the Food and Drug Authority targeted at the public and young consumers. Patient information is another focus area. The retail association conducts training on issues such as product liability.

Phone and Internet Services and E-commerce: Public awareness activities on internet use and on-line fraud are carried out by private firms.

Consumer Credit and Banking: The Thai Credit Bureau, Fiscal Policy Office operates a credit information service based on fairness and respect for the consumers' right to privacy and right to be considered for credit. Financial literacy programmes organised by the Office of the Insurance Commission include awareness of the importance of insurance.

Environmental Quality and Services: The OCPB is raising consumers' awareness of sustainable consumption through education at schools and other educational institutions. NGOs undertake community education programmes on environmental protection. The NGO, Ecological Alert and Recovery, produces material on environmental issues for the public.

Healthcare Services: The Ministry of Public Health controls the practice of health professionals, including traditional medicine practitioners. The private sector conducts health awareness programmes.

Professional Services: The Lawyers Council of Thailand institutes disciplinary action and promulgates codes of conduct for lawyers.

Consumer Education and Awareness: The Office of the Consumer Protection Board (OCPB) promotes the education of consumers across the country. The education curriculum has been reformed to make consumer protection part of the core curriculum. A provincial sub-committee in every province, with the governor as chairperson, has the power and duty to provide educational information to the public.

Government programmes include the promotion of standards to schools, community leaders and local government officials. A consumer protection curriculum has been developed for the public, business sector, civil society and the government sector. A consumer complaints handbook for consumers has been produced by the Office of the Judiciary.

Consumer protection groups are formed in academic institutions and consumer experts are sent by the government as visiting lecturers to schools, colleges and universities. The OCPB conducts seminars throughout the country on a range of consumer issues as part of the lifelong learning opportunities available to the public. Various consumer education teaching materials, including publications, periodicals are prepared by the government for the public. CDs, handbooks and test sheets are distributed to teachers. A multi-agency consumer information network is being developed by the OCPB.

A Consumer Education and Protection Initiative (CEPI) was launched under the Asia-Pacific Economic Cooperation (APEC) as a public-private partnership to facilitate SME growth and economic stability. Programmes launched in Thailand include work by the Thai

Direct Selling Association with the OCPB to create a model of consumer protection advocacy in Asia.

The government collaborates with citizens groups through conferences, and other activities. The Foundation for Consumers uses television and seminars to spread public awareness on a variety of issues including food safety, public transport, communications and energy. With the government's encouragement, businesses are training their personnel to be sensitive to consumers' rights and to practise transparency and accountability.

Public service announcements are made by the OCPB and FDA, while the Foundation for Consumers (FFC) uses its magazine and TV programmes to communicate alerts. Public advocacy on dumping and consumer protection is undertaken by NGOs.

Vietnam

Product Safety and Labelling: VINASTAS organises farmers to provide warranties of product safety.

Consumer Education and Awareness: The Vietnam Competition Authority conducts short-term training courses on consumer protection for officials and businesses across the country. Consumer protection research and education is undertaken at the Research Centre of Competition Law and Consumer Protection, Hanoi University of Law. The centre, established in 2009, is undertaking curriculum development on a range of consumer issues.

Consumer education programmes are conducted by consumer organisations, notably the Vietnam Standard and Consumers Association (VINASTAS), which has helped to establish 38 organisations at the national and local levels. A magazine focusing on consumer issues is published fortnightly.

VINASTAS has established a media club that meets weekly to discuss consumer issues and programmes. Major media newspapers and electronic media have consumer sections and programme slots. The Competition Administration Department, Ministry of Trade conducts education programmes on consumer legislation, issues and organizing for the public, consumer groups and government officials. Financial and resource support and training is provided to consumer organisations.

Consumer organisations, led by VINASTAS, have undertaken advocacy for consumer protection and have been involved in drafting legislation. A Women's Consumer Club conducts regular consumer education activities on a range of issues.

A number of support groups set up by VINASTAS focus on fighting counterfeiting, promoting quality standards and studying consumer issues.

3.4.1 Best Practices in Programmes and Initiatives

Some of the best practices in consumer protection programmes and initiatives in the region are outlined below. The best practices were self identified by the AMSs focal points as well as CI, based on the following criteria predetermined by CI:

- i. there is continuity and replicability and follow-up, with regular reporting and updates
- ii. the objectives and targets of the programme are met
- iii. the programme is evaluated by participants
- iv. documentation is undertaken of the programme's outcomes
- v. the activity reaches out to the target groups or spreads beyond them
- vi. The programme is implemented within the budget.

Due to time constraints, it was not possible to conduct qualitative and quantitative assessment of the best practices outlined. In addition, there were hardly any reports or publications that accessed/evaluated these programmes and initiatives. As such, if any of the policy makers in AMSs plan to adopt or adapt the best practices, appropriate review and assessment will have to be conducted to ensure that it suits the needs of the particular country. Best practices from other regions are available in Chapter 5.

Institutional Development

Indonesia has taken several key steps to develop both government and non-governmental consumer protection institutions. The National Consumer Protection Agency functions as an independent advisory body, undertaking a full range of functions from issuing public service announcements to advocating for legislative reforms to organising consumer education and awareness activities in collaboration with various stakeholders. The Consumer Disputes Settlement Body has branches throughout the country to ensure access to redress. YLKI, the non-governmental consumer organisation, has a well-developed institutional base, having its own office building and covering key consumer protection issues.

Consumer Credit and Banking

The Indonesian central bank conducts awareness campaigns on money laundering, savings and other financial issues. Consumer credit and banking programmes undertaken by Bank Negara Malaysia, the central bank, include financial literacy, a financial newsletter 'Ringgit' jointly developed with the consumer organisation, booklets on consumer credit and outreach programmes on credit management by its Financial Mediation Bureau. The Association of Banks in Singapore holds regular seminars on investment products and their risks.

Phone & Internet Services and E-Commerce

The Indonesian telecommunications authority engages the public to obtain feedback on industry issues, while the consumer protection agency reaches students through its Smart Consumer programme.

Communications and Consumer Education

In Brunei Darussalam, public service announcements are made on radio and television on hire purchase traps and pyramid schemes, bringing consumer protection messages directly to consumers. In Cambodia, publications on consumer issues are distributed, and paid television advertisements and public service announcements are used to reach consumers.

In Lao PDR, the Ministry of Agriculture and Forestry uses loudspeaker systems to broadcast educational messages to consumers. This is an important communication tool in the rural areas, where 40% of the population have not been to school. The Ministry of Industry and Commerce plans to use comics for the same reason. The Food and Drug Department, Ministry of Public Health conducts consumer awareness campaigns using the electronic media and pamphlets and posters. The MoH and NGOs undertake consumer education in villages covering nutrition, infant health, clean water, malaria and sanitation.

In Malaysia, the *Panduan Pengguna*, a consumer guide on consumer protection produced by the MDTCC, has been in use since 1995. The guide provides an understanding of consumer rights and consumer issues, consumer-related laws in all areas and the contact details of consumer protection agencies and consumer NGOs in the country. It has been distributed to schools for use by the school consumer clubs and in the libraries and community groups including women's associations. It is revised periodically and currently in its 5th edition.

Consumer education is being integrated into the school curriculum in the Philippines, where a pilot programme is being tested in 180 secondary schools. One innovation is the *KaKaMPi ko si Barangay CAPT*, which involves mainstreaming consumer education in local communities with *barangay* officials. The waterworks authority undertakes a public assessment of water services, which is being replicated in other Asian countries. Infomercials on consumer rights and responsibilities are placed in cinemas. Consumer rights and responsibilities are displayed in public areas. Consumer Welfare Month (CWM) is celebrated in October, highlighting different consumer welfare activities. Business establishments that pass the criteria set by DTI and the private sector for protecting consumer rights are certified with a seal of excellence, "DTI Bagwis".

A consumer protection curriculum has been developed for the public, business sector, civil society and the government sector in Thailand. A consumer complaints handbook for consumers has been produced. The Foundation for Consumers uses television and seminars to spread awareness on a variety of issues including food safety, public transport, communications and energy.

In Vietnam, consumer education programmes are conducted by consumer organisations, notably VINASTAS, which has helped to establish 38 organisations at the national and local levels. A magazine focusing on consumer issues is published fortnightly. VINASTAS has

established a media club that meets weekly to discuss consumer issues and programmes. Major print and electronic media have consumer sections and programme slots.

Environmental Quality and Consumer Health

In Brunei Darussalam, the sustainable development agenda is taught in primary and secondary schools. An Environmental Youth Envoy programme has been initiated to engage youth in environmental protection. In Cambodia, air pollution readings are published daily during critical periods. The Cambodian Institute for Research and Rural Development promotes standards for agricultural products and sustainable agriculture and organic food production. The institute trains rural youth and helps farmers to organise themselves.

The Lao PDR Ministry of Agriculture and Forestry is promoting a voluntary organic standard in order to tap the growing market for organic produce. In the longer term, it aims to share the export market currently dominated by Vietnam and Thailand. Major benefits of organic farming include no dangerous runoffs into waterways as chemical fertilisers and pesticides are not used, reducing health risks to consumers. Malaysia's Ministry of Energy, Green Technology and Water undertakes a range of programmes to raise awareness of green technology.

Health Services

The Cambodian NGO Gret has established a not-for-profit health insurance programme SKY in partnership with the public health service. The Indonesian Medical Council addresses health issues such as the socialization of the Medical Practice Act.

Redress Mechanisms

Lao PDR has introduced no-cost administrative procedures for complaints as an alternative to the court system. The Lao National Internet Committee, Department of Intellectual Property and Department of Food and Drugs allow consumers to lodge complaints and obtain redress at no cost and without need to go to court.

The Philippine DTI Direct Call Centre is an example of a consumer hotline service that enhances consumer access to redress. Consumer welfare issues make up 24% of calls to the centre. Consumer Welfare Desks (CWDs) are institutionalized in business establishments for speedy resolution of consumer complaints.

3.5 CONCLUSION

In this chapter, the situational analysis of consumer protection shows that as the economies of the AMSs enjoy healthy growth, progress has been made in enhancing consumer protection in terms of governance, institutional development, programmes and initiatives. With dynamic growth and regional integration, consumers now have greater access to products and services. Further, the digital world is transforming the way consumers purchase and consume products and services. This poses new challenges for consumers, businesses and regulators as evidenced by the emerging concerns of consumers in the region. ASEAN needs to achieve a more equitable level of protection for consumers in the region given the changing circumstances. This will require a range of strategic capacity building measures to be identified for enhanced consumer protection in ASEAN. This is addressed in the next chapter.

4. CAPACITY BUILDING NEEDS FOR CONSUMER PROTECTION IN ASEAN

The development of the ASEAN consumer market is an important aspect of the Roadmap for an ASEAN Community 2015 because consumption is a key pillar of the integrated ASEAN economy. By aiming for a high level of consumer protection, the ASEAN Community can foster consumer confidence in the ASEAN marketplace. In order to develop a robust consumer protection regime in the ASEAN region that is characteristic of developed economies, it is important to identify gaps and map out the priority capacity building needs of AMSs.

4.1 ESSENTIAL ELEMENTS FOR CONSUMER PROTECTION

The approach to capacity building is based on the premise that for effective and comprehensive consumer protection in the ASEAN region, the following elements are required:

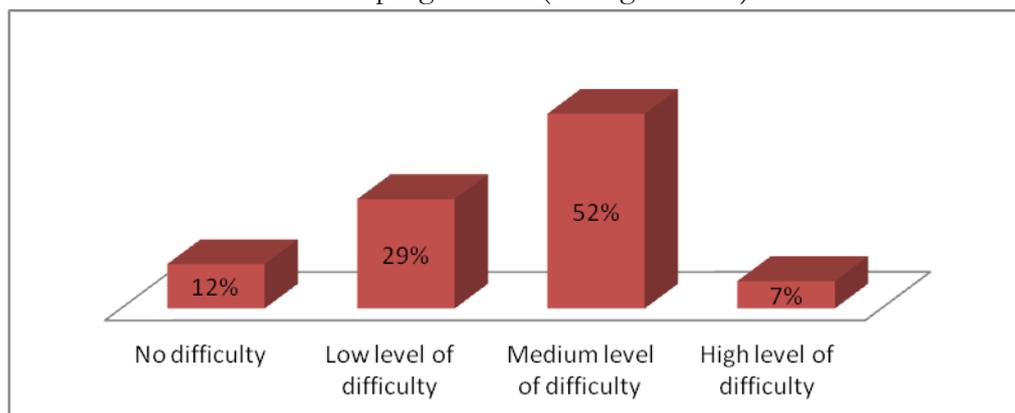
- i. a consumer policy framework/platform in each AMS,
- ii. a consumer master plan
- iii. an enabling regulatory environment governed by comprehensive consumer protection legislation, supported by adequate enforcement measures and redress measures
- iv. human resource development, and
- v. well-designed and targeted programmes for the benefit of consumers

4.2 HUMAN AND INSTITUTIONAL CAPACITY GAPS IN CONSUMER PROTECTION IN AMSs

Level of difficulty in implementing consumer protection programmes and activities

AMSs faced different levels of difficulties in implementing consumer protection programmes and activities. The findings of the GS based on 110 stakeholders in 9 AMSs (excluding Myanmar) show that 59% of stakeholders face medium to high levels of difficulty in implementing consumer protection programmes and activities in their organisations. (Figure 4.1).

Figure 4.1: Level of difficulty in implementing consumer protection activities and programmes (among 9 AMSs).



*Statistical analysis could not be carried out due to incomplete information from their 4 GSs.

Further analysis was done to explore the “Difficulty Index” faced by the 9 countries (excluding Myanmar) based on seven key difficulty factors: (1) Laws; (2) Finances; (3) Information to key subject areas; (4) Human resources; (5) Physical infrastructure; (6) Institutional capacity; and (7) Coordination among relevant agencies/organisations.

The highest Difficulty Index for the AMSs is related to adequate finance (Index 4.94); adequate staffing (Index 4.78); staff with appropriate experience, skills and qualifications (Index 4.50); and access to experts (Index 4.11).

The 110 stakeholders were asked to identify and prioritise five main difficulties in implementing consumer protection programmes and activities. All 9 AMSs stated **“adequate finances”** as one common difficulty; with Cambodia, Lao PDR, Malaysia, the Philippines and Vietnam stating it as their first main priority. The Republic of the Union of Myanmar also expressed similar difficulties during the RTD.

Adequacy of laws was identified as another one of the main five difficulties; Brunei Darussalam, Indonesia and Singapore stated it as their first main priority. Vietnam, Lao PDR and Cambodia did not include “laws” among their five main priority areas of difficulties in implementing consumer protection programmes and activities. For Vietnam and Lao PDR, the Consumer Protection Act has been passed by the Cabinet and is in the process of awaiting promulgation. Cambodia is in the midst of drafting their principle Consumer Protection Act with the assistance of experts. As such, the much needed area for capacity building focus towards awareness building on the law as well as consumer protection in general.

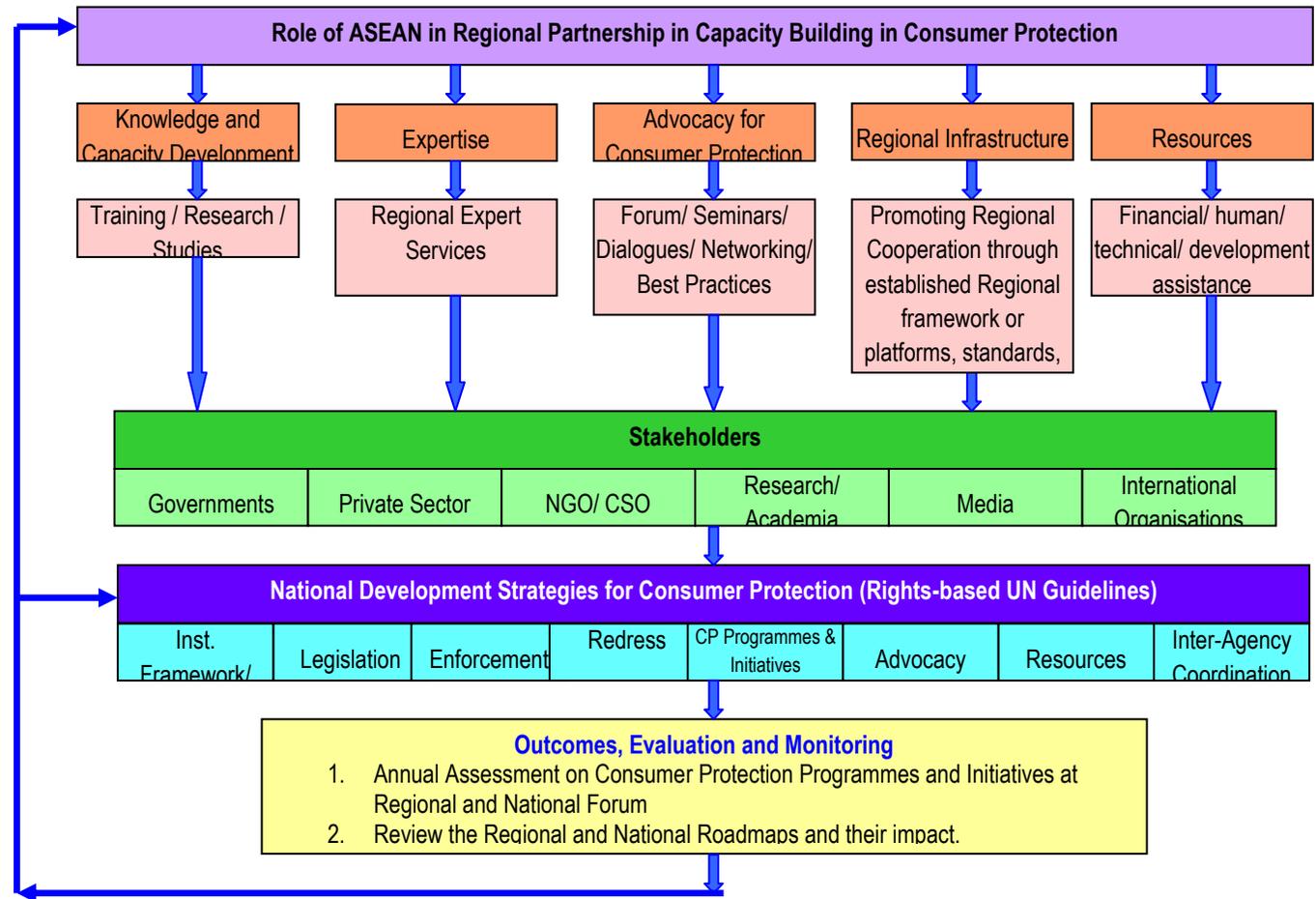
All nine AMS stated **human resource** as one of their five main difficulties. Myanmar stakeholders expressed similar difficulties during the RTD. Thailand indicated **“adequate number of staff”** as their first main priority.

Institutional capacity (access to training and access to experts) was identified as fourth and fifth priority among the top five difficulties faced by five countries (Cambodia, Indonesia, Philippines, Thailand and Vietnam). During the RTD, Myanmar stakeholders expressed similar difficulties. The other four countries in the region (Brunei Darussalam, Lao PDR, Malaysia and Singapore) did not indicate the institutional capacity among the top five priorities.

Only Cambodia and Lao PDR indicated difficulties in terms of **physical infrastructure and facilities** – access to internet, office space, office location, office equipment or facilities (computer, fax and photocopier), and facilities (meeting room etc.).

Figure 4.2 illustrates strategic approaches for capacity building in CP at the regional level. The strategies highlighted that the fundamental CP areas are embedded at the national level to address institutional and human contexts including CP Agency, legislation, enforcement, CP programmes and initiatives, advocacy, resources and inter-agency coordination. As such, the forms of capacity building assistance such as training, seminar or technical assistance, or the capacity building areas such as knowledge, expertise or resources, are ideally tailored to meet the institutional and human needs at the national level.

Figure 4.2: Regional Strategies for Capacity Building Needs



In summary, the AMSs generally face difficulties in implementing consumer programmes and activities in the following areas:

- i. Finance
- ii. Human resources – insufficient, lacking in competencies, high turnover
- iii. Access to experts and training
- iv. Inter agency coordination
- v. Legislation

4.3 HUMAN AND INSTITUTIONAL CAPACITIES OF STAKEHOLDERS IN AMSs

The GS was conducted among 110 stakeholders across the AMSs to assess the capacity building needs for consumer protection in general and specifically in the six selected core consumer areas. The findings of the GS were triangulated through KIIs among selected stakeholders in each country and roundtable discussions in each of the AMSs. Due to exigencies of time, it was not possible to complete the GS in Myanmar. However a RTD was conducted with key officials and a trade association in RU Myanmar.

Note: To determine the level of assistance required by the stakeholders, an index was developed based on the capacity building needs that were reported during the survey. An explanation of the methodology for the development of the index is found in Chapter 2.

In Category 1 countries, 56 (66%) of the respondents had technical staff assigned to deal with consumer related issues, while 38 (45%) of the respondents of the 66% had technical staff assigned to a dedicated unit for consumer affairs. In the case of Category 2 (Subgroup) countries, the corresponding figures were: 11 (42%) with technical staff for consumer affairs and 7 (27%) of the 42% which also had a dedicated unit for consumer affairs (Table 4.1).

Table 4.1: Human Resources for Consumer Protection (Stakeholders' responses).

	Category 1 countries	Category 2 countries
Technical staff for consumer affairs	56 (66%)	11 (47%)
Technical staff and dedicated unit for consumer affairs	38 (45%)	7 (27%)

A higher percentage of respondents were involved in complaints handling, consumer goods and services, food safety and product safety (Table 4.2). Very few respondents did consumer protection work related to hire purchase and traditional sources of consumer credit such as pawn shops and money lenders, although this is an important area of concern for consumer protection.

Only 9% of the stakeholders stated that they were engaged in work involving Tribunals and Small Claims Courts (Table 4.3). However, this small percentage does not provide an accurate picture of the importance of these redress mechanisms because there is usually only

one Tribunal or small claims court in each country that deals with a broad range of consumer interests. Within AMSs, Cambodia, Indonesia, Malaysia, the Philippines and Thailand have a Consumer Tribunal and/or a Small Claims Court. However, in Brunei Darussalam, it was noted through KIIs and a RTD that there is a Tribunal but stakeholders were unaware of its function and activities.

Avenues for consumer redress go beyond tribunals and courts; they include mediation and arbitration which are among the forms of redress found in the AMSs. Some 35% (39) of the respondents indicated that their work involves some form of consumer redress (Table 4.3). This relatively higher percentage could be attributed to the fact that more than one agency in a country can be involved in arbitration and mediation, as compared to tribunals and courts.

An analysis of the areas of consumer protection in which the respondents were involved is as below:

Table 4.2: Involvement of stakeholders in consumer protection work (stakeholders' responses)

Areas of work in consumer protection	Percentage (%) of stakeholders involved
Complaints handling	57%
Consumer goods & services	38%
Product safety	36%
Mediation and arbitration	35%
Food safety	33%
Sustainable consumption	31%
Price monitoring	29%
Healthcare and medicine	25%
Sustainable development	24%
Water	24%
Communications and new technologies	23%
Monitoring of advertisements	23%
Price regulation	22%
Counterfeit products	21%
Energy	20%
Legal and medical services	17%
Regulating advertisements	16%
Environmental labelling	15%
Air	15%
Loans	14%
Monitoring weights and measures	11%
Hire purchase	10%
Regulating weights and measures	9%
Small claims procedures/courts	9%
Tribunal	9%
Other sources of credit e.g. pawn shops	8%

Note: Stakeholders may be involved in more than one area of work

Table 4.3: Consumer Redress in ASEAN Member States (Stakeholders' responses).

Countries	Consumer redress				Total number of stakeholders
	Complaints handling	Mediation and arbitration	Small claims procedures / courts	Tribunal	
Brunei Darussalam	7	1	0	0	11
Cambodia	2	1	0	1	8
Indonesia	8	6	0	1	11
Lao PDR	1	2	0	0	7
Malaysia	13	8	3	4	21
RU Myanmar	-	-	-	-	-
Philippines	14	10	4	4	19
Singapore	10	4	0	0	13
Thailand	6	4	3	0	11
Vietnam	2	0	0	0	0
All countries	63	36	10	10	114

4.4 FOCUS AREAS FOR CAPACITY BUILDING IN CONSUMER PROTECTION

Focus areas for national level capacity building were determined by the ACCP members at the ACCP Workshop (2010) as presented in Table 4.4.

Table 4.4: Focus Areas for Capacity Building Identified by AMSs during the ACCP Workshop (2010).

	Brunei Darussalam	Cambodia	Indonesia	Lao PDR	Malaysia	RU Myanmar	Philippines	Thailand	Vietnam
Enforcement									
Master Plan / Strategic Plan									
Principal Consumer Protection Act									
Consumer Education & Awareness									
Institutional Structures									
Core Consumer Areas									
National Consumer Protection Policy									
Redress Mechanism									
Inter-Agency coordination									
Consumer NGO development									
Complaints Database									
Consumer Advocacy									
Resources Development									

Although the AMSs had different priorities for capacity development, there was broad agreement on a number of focus areas. These included Principal Consumer Protection Act, Institutional Structures, Consumer Master Plan, Enforcement and Consumer Education and Awareness (Table B2.1 in Appendix 1).

In order to achieve the targeted outcomes for consumer protection, capacity building efforts need to be focused on the following areas for the ASEAN region:

- a) Developing Consumer Policies, Framework and Laws
- b) Implementing Consumer Protection Policies, Framework and Laws
- c) Enforcing and Monitoring of Consumer Laws and Codes of Conduct
- d) Establishing and Managing Effective Redress Mechanisms
- e) Implementing and Evaluating Consumer Protection Programmes and Mechanisms
- f) Developing and Implementing Awareness and Educational Programmes for Consumer Protection
- g) Undertaking Research and Development
- h) Implementing Training Programmes

4.4.1 Capacity Building in Developing Consumer Policies, Framework and Law

A comprehensive national consumer protection policy provides the basis for an effective consumer protection regime in a country. During the regional workshop, all AMSs identified the development of a national consumer protection policy as a priority, for which capacity building was required. In addition, Malaysia highlighted the need to review and update existing consumer protection policies to respond to developments in the ASEAN region which have implications for consumer protection.

The need for capacity building in developing policies and laws stems from the evolving consumer needs and nature of businesses in the AMSs; for example, the survey indicated that there is an ongoing discussion in Indonesia on the need to amend or review certain provisions under the Consumer Protection Act by having separate consumer protection law for goods and services. This is because goods and services are considered to be different in the way they affect consumers, and in how they are used by consumers. The definition of “consumer” itself is being reviewed to possibly include goods and services consumed for trading purposes.

During the ACCP workshop (2010), countries such as Brunei Darussalam and Cambodia also expressed the need for capacity building to develop appropriate consumer protection legislation. Similarly, the need to develop expertise in reviewing and amending consumer laws to ensure that they remain current and relevant was another priority, as was highlighted by Indonesia. Malaysia pointed out that a good understanding of the consumer laws on the part of government officers and non-governmental organisations is crucial for effective consumer protection. At a broader level, Lao PDR expressed the need for a Regional Consumer Protection Policy which is sufficiently flexible to relate to laws at the national level.

Almost all the AMSs recognise the need for new laws to afford protection for consumers in the areas such as marketing of cigarettes or tobacco to minors, internet transactions, genetically modified food, cross-border transactions, redress and consumer credit and banking. A fairly strong need for capacity building for developing policies and laws was established by the survey among the ASEAN countries; the Need Index in this area was computed at 4.73 out of 7.00 for the whole region.

This need is especially high in the subgroup of Brunei Darussalam, Lao PDR and Cambodia, as indicated by the need Index of 6.3. Discussions with officials in Myanmar confirm that there is a similar need in the country. In Brunei Darussalam for instance, the capacity building need for developing laws corresponds primarily to the absence of a principal Consumer Protection Act while in Cambodia a new consumer law is in the process of being drafted and deliberated.

Only the Philippines (Index 2.26) and Singapore (Index 2.57) did not indicate a strong need for capacity building in this aspect (Table B2.1 Appendix 1).

4.4.2 Capacity Building in Implementing Consumer Protection Policies and Laws

While the enactment of appropriate policies and laws is an important step in the setting up an effective consumer protection regime, it is equally important that the policies and laws are implemented consistently and effectively. In order for this to happen, the basic requirements are:

- effective institutional mechanisms, and
- competent personnel

Institutional mechanisms can to some extent be replicated from other countries, but they would nevertheless need to be adapted to the political, economic and geographical realities of individual countries. For example, a much more decentralised mechanism for consumer redress would perhaps be more appropriate in Indonesia with its widely dispersed provinces and islands, as compared to the much more compact Singapore or Brunei Darussalam.

Institutional mechanisms can be effective only if the institutions are staffed by competent personnel. There is a need for trained staff in the institutions concerned who understand the consumer protection issues and needs. One example of human resource capacity need was cited by The National Commission for Child Protection (NCCP) Indonesia, which requires staff with experience related to consumer protection involving children in matters of “Tobacco Impact” and “Toy Safety”.

A strategic plan is a useful tool for implementation of consumer protection programmes and for building infrastructure. Almost all the AMS have expressed a need to enhance their expertise in developing and using a strategic plan for consumer protection programmes.

The Need Index for developing effective institutional mechanisms and for ensuring adequate human resources is relatively high and almost identical (4.65 and 4.60 respectively); for the consolidated subgroup of countries (Brunei Darussalam, Cambodia and Lao PDR) it was 5.7 and 5.9 respectively.

4.4.3 Capacity Building in Enforcement and Monitoring of Consumer Laws and Codes of Conduct

Monitoring and enforcement of consumer laws and industry codes of conduct are important activities in promoting consumer protection. Both government agencies as well as non-governmental groups undertake this activity. The success of voluntary self-monitoring and enforcing of codes of conduct by companies is greater when industry participates in developing such codes.

Most representatives of the AMSs at the ACCP Workshop 2010 expressed a need to further enhance their capacity for enforcement of consumer protection. For example, building the capacity of enforcement officers in the short term is a priority in Cambodia, Malaysia, Philippines and Vietnam. At the same time, Lao PDR expressed the need for training of

trainers for enforcement officers. In order for the training to be effective, it should be customised to meet the specific requirements and conditions of each country; hence a common ASEAN level training would not be optimal. However, over the longer term, enforcement officers could be sent for training abroad so that they could obtain a regional perspective of consumer protection issues. In order to further enhance enforcement, Thailand proposed that an independent National Consumer Council be established, to advise the government on matters related to consumer protection.

The capacity building need in this area is relatively high. The need is felt even more acutely in relatively new areas of consumer protection. For example, many of the AMSs have expressed capacity building needs for monitoring and enforcement of laws/codes of conduct and mandatory standards for areas such as:

- Product Safety and Labelling
- For Phone and Internet Services
- Environmental services, Healthcare services
- Consumer Credit and Banking Services
- Medical and Legal Professional Services

The Need Index for the whole ASEAN region towards enforcing law and Codes of Conduct that protect consumers is 4.7; for the subgroup Brunei Darussalam, Cambodia and Lao PDR, the Need Index was 5.3. Similarly the need index for monitoring compliance to laws and codes of conduct was 4.8. In the case of the consolidated subgroup Brunei Darussalam, Cambodia and Lao PDR, the Need Index was 5.4. Myanmar has also expressed a need in this area through the RTD. Only Singapore and the Philippines registered a lower Need Index (less than 3.3) in these areas.

4.4.4 Capacity Building in Establishing and Managing Effective Redress Mechanisms

Consumer protection can be meaningful only if there are provisions for a consumer to rectify perceived wrongs or to prevent future abuses. Hence a key factor in consumer protection is access to effective redress mechanisms. As cross-border transactions become more common, there is a corresponding need to establish cross-border or regional redress mechanisms. It was suggested at the ACCP Workshop 2010 that at the national level, a centralised agency for consumer redress along the lines of the consumer tribunal in Malaysia would be an effective avenue for consumers to obtain redress. Similarly an ASEAN Complaints Centre could serve as a regional, one-stop centre for consumers in AMSs.

In this respect, the AMSs have expressed a capacity building need to

- set up effective redress mechanisms both at national and regional levels and
- equip personnel with the requisite expertise and knowledge in the workings of such mechanisms

Based on the GS, the overall Need Index for establishing and/or managing redress mechanisms was computed at 4.5 while for the consolidated subgroup of Brunei Darussalam, Lao PDR and Cambodia the index was 5.5. Although Myanmar was not initially included in the survey, the RTD confirmed that the country experienced a similar need.

Only Singapore and the Philippines registered a low index of just over 3.00 (Table B2.1 Appendix 1).

4.4.5 Capacity Building in Implementation and Evaluation of Consumer Protection Programmes and Mechanisms

Consumer protection programmes, such as consumer education, research, environmental awareness, advocacy for legal reforms, price monitoring and complaints handling form the bedrock of consumer protection. Accordingly, both government agencies as well as non-governmental protection organisations expend large amounts of resources to undertake a wide range of consumer protection programmes. However, the effectiveness and efficiency of these programmes could be improved by rigorously designing and implementing built-in mechanisms for evaluating the programmes.

Most AMSs need to enhance their expertise in designing consumer protection programmes and mechanisms in developing tools for rigorous evaluation of the programmes that have been implemented. The need index in this area was relatively high for most of the countries (Need Index 4.83) and for the consolidated subgroup (Brunei Darussalam, Lao PDR and Cambodia) the Need Index was 6.1. Myanmar has also expressed a high need for capacity building in this aspect.

However the Index was low for Singapore (3.0), Philippines (3.79) and Thailand (3.82) (Table B2.1 Appendix 1).

4.4.6 Capacity Building in Developing and Implementing Awareness and Educational Programmes for Consumer Protection.

One of the best ways to ensure protection for consumers is to raise their awareness of consumer issues and to provide them with knowledge of their rights and avenues for redress. When consumers are empowered with knowledge, they become the driving force for consumer protection.

Consumer education can be done through both formal and non-formal mechanisms. In some countries, consumer education has been integrated into the formal school curriculum. On the other hand, in most of the AMSs, consumer awareness and education programmes are mainly implemented on a non-formal basis. In this regard, governmental, non-governmental organisations as well as private sector organisations whose activities have an impact on consumers, should incorporate strong consumer awareness and education programmes. For example, the Central Bank and financial institutions in Malaysia conduct financial literacy programmes annually.

Awareness and educational programmes for consumers need to be carried out on an ongoing basis because many lapses in protection stem from low awareness of rights and inadequate information.

The survey among the AMSs uncovered a strong need for capacity building to develop and implement effective programmes for awareness and educational programmes for consumers. Brunei Darussalam and Lao PDR for example, anticipated the need for capacity building to deliver consumer protection programmes, such as information on food safety via TV, radio and comic books while Cambodia envisaged the possibility of working with the Ministry of Education to conduct consumer protection campaigns in schools covering areas such as product safety, labelling and health care.

The idea of an ASEAN consumer education and awareness policy - as a subset of an ASEAN education strategy or the ASEAN consumer policy - was mooted at the ACCP Workshop 2010. Such a policy could provide for the inclusion of consumer education in the school curriculum.

The Need Index for developing awareness and educational programmes was a high 5.0. In the case of the consolidated subgroup Brunei Darussalam, Cambodia and Lao PDR, the Need Index was even higher at 6.2. Myanmar too, has expressed a high need for implementing awareness and education. Only the Philippines and Singapore indicated a lower Index (3.7 and 3.9 respectively) indicating their different levels of development.

4.4.7 Capacity Building in Research and Development

With continued economic growth in the ASEAN region, new areas of consumer transaction come to the fore, with concomitant challenges in the need for protection. Consequently,

agencies involved in consumer protection need to engage in research and development activities on a regular basis in order to remain current and relevant to the changing needs of the market place. The need for R&D was specially felt in some areas of consumer protection such as product safety, telephone and internet services including e-commerce, new forms of consumer credit, healthcare and medical and legal professional service. During the regional workshop, the importance of a regional level institution to conduct research on an ongoing basis, to look into emerging issues and to monitor developments was highlighted. It was felt that this body at a regional level could also function as a repository of consumer laws and as an agency for collecting information on consumer injuries and complaints.

The overall Need Index for capacity building for research and development on consumer protection policies, laws, regulations and mechanism to cover emerging issues was 4.5, though the Philippines and Singapore registered lower indices at 3.05 and 3.17 respectively. For the consolidated subgroup (Brunei Darussalam, Cambodia and Lao PDR) the index stood at 5.2 which incorporated a rather surprisingly low index for Cambodia (2.71) which would merit further analysis (Table B2.1 Appendix 1). Myanmar also indicated a high capacity building need for research and development for consumer protection.

4.4.8 Capacity Building in Conducting Training

A theme that runs across all the capacity building needs is training. Since consumer protection is a relatively new developmental area, many consumer protection agencies in the AMSs have limited exposure and experience in dealing with consumer issues. The need for training is felt in two areas namely:

- in understanding consumer issues, laws, institutions etc. and
- in enhancing knowledge in the technical subject matter of the areas covered e.g. e-commerce, healthcare, counterfeit product etc

For example, Cambodia has identified the need for assistance in training staff to implement and enforce consumer protection laws and programmes. In the case of Lao PDR, the relatively new Division of Competition and Consumer Protection in the Ministry of Industry and Commerce, relies on assistance from NGO's and foreign governments for training, including that of trainers, while the Ministry of Public Health requires expertise to carry out analysis of food and drugs. Similarly, Thailand, Vietnam, Cambodia have indicated human resource as important capacity gap. In particular, a strong need for capacity building has been expressed for training on consumer issues such as identification of fraud, counterfeit products, fair trade laws, price fixing and E-commerce.

The project disclosed an overall high Need Index of 5.0 in capacity building for training while the Need Index for the consolidated subgroup of Cambodia, Lao PDR and Brunei Darussalam was much higher (Index 6.4. Myanmar too has indicated a high need in this area. Only the Philippines, Singapore and Thailand registered lower indices of 3.0 to 3.9.

4.5 FOCUS AREAS FOR CAPACITY BUILDING IN SIX CORE CONSUMER AREAS

4.5.1 Product Safety and Labelling

The burgeoning ASEAN market in consumer goods and services has brought with it new challenges for consumers. While consumers are often not sufficiently equipped to make informed decisions, the resources and capacity of consumer protection, regulatory and enforcement agencies are overstretched.

The following are some of the more common problems with regard to product safety faced by consumers that were identified through the survey conducted among the AMSs. Product labels, for example on food stuff or toys do not always provide sufficient information to ensure that the consumer's safety is not jeopardised. In other cases, the information provided on labels and in advertisements is misleading.

Consumers in the ASEAN region have to deal with unsafe products such as toys and electrical appliances and products whose shelf life has expired. Hazardous chemicals or heavy metals have been found in products such as cosmetics, while traditional medicines have been found to contain dangerous chemical substances

The problem of unsafe products is compounded by the fact that facilities and expertise for product testing in the region are not always adequate to keep up with the growth in the range of products that come on the market.

It is important for all AMSs to develop strategic interventions to create consumer awareness about product safety and labelling at national levels. In Singapore for instance, for controlled goods, consumers in Singapore are advised to look for the SAFETY Mark. The awareness level of the SAFETY Mark (based on a nationwide survey carried out in 2009) was 75%.

An adequate system of consumer protection would include a system for data collection of consumer injuries arising from unsafe products and inadequate labelling. Such a system is found in Singapore, Cambodia and Vietnam. In Singapore for instance, the system for data collection related to safety of consumer products focused on 45 categories of Controlled Goods - mainly household electrical, electronic and gas products. The system relies on feedback from the Police, Civil Defence (Fire Brigade), consumers, industry, the consumer association (CASE) and the press. In Singapore, safety of other consumer products such as toys and children's products is also monitored.

The data collection is maintained and updated by SPRING Singapore, the Safety Authority on Controlled Goods under the Singapore Consumer Protection (Safety Requirements) Regulations.¹¹

In Vietnam the most common injuries reported in their data collection system are adverse drug reaction (ADR) and food poisoning from contaminated foods, poisoning from fish, mushrooms etc. Data collection of injuries is undertaken by medical practitioners (doctors, clinics, hospitals) and records of all treatments related to the injuries are kept. The Ministry of Health is the focal point for injury data collection.¹²

The most common consumer injuries reported in Cambodia are caused by medicines and food. Cambodian medical practitioners (doctors, clinics, hospitals) maintain all records of treatments related to such injuries.¹³

4.5.2 Phone & Internet Services and E-commerce

Efficient telephone and internet services are a *sine qua non* for the continued growth of economies and markets in the ASEAN region. Although an increasing number of people in the ASEAN region have access to telephone and internet services, there are still many areas of improvement in the provision of these services. Consumers complain of frequent interruptions, slow and unstable internet connections and limited coverage, especially in rural areas. Consumers also expressed the need for better avenues to lodge complaints and seek redress for their grievances and a more prompt response. Security of phone and internet communications are also common concerns.

4.5.3 Consumer Credit and Banking

As more and more consumer goods become available in the rapidly-developing ASEAN market place, there is an increasing reliance on easy consumer credit to finance purchases of non-investment goods and services that are consumed quickly or whose value depreciates quickly. The most common sources of consumer credit are credit card companies, banks and financial institutions, pawn brokers and money lenders and hire purchase facilities offered by retailers (Table 4.5).

The fact that pawn brokers and unlicensed money lenders play a significant role in the consumer credit markets in the AMSs point to difficulties faced by vulnerable consumers in obtaining access to credit at reasonable interest rates.

One of the more common complaints associated with consumer credit relates to the high interest rates that the consumer is burdened with. It is not uncommon for consumers to be

¹¹ Singapore secondary data collection on consumer protection, ASEAN-CI, 2010.

¹² Vietnam secondary data collection on consumer protection, ASEAN-CI, 2010.

¹³ Cambodia secondary data collection on consumer protection, ASEAN-CI, 2010.

ensnared in a spiral of indebtedness after borrowing from credit card companies or money lenders to pay medical bills or to tide over a period of financial difficulty. Improving access to affordable health care would significantly help to reduce chronic indebtedness among sectors of the population who rely on consumer credit facilities to finance their health care needs.

When using credit facilities consumers often contend with unfair or unclear terms of contracts, hidden costs and unethical debt collection or repossession methods. Poor financial literacy on the part of consumers, coupled with aggressive marketing of credit facilities by lenders can result in consumers borrowing beyond their means to repay.

4.5.4 Healthy and Safe Environment

Industry and consumers are now equally concerned about environmental issues, including climate change. The increasing concern about environmental issues is matched by the publicity and debate about pollution and environmental degradation. Consumers are increasingly beginning to recognise that they, together with government and industry have a role to play in ensuring a healthy and safe environment and in dealing with climate change. The effects of climate change for example on crop yields, temperature, floods, which often result in higher insurance premiums, are only just being grasped.

Environmental pollution is a major environmental concern for consumers. With increasing wealth in AMSs and its concomitant growth in consumption, the disposal of household waste is becoming a serious problem in most AMSs. Industrialisation has also brought with it problems of industrial waste disposal.

Consumers in AMSs are also faced with air and water pollution from indiscriminate use of chemicals, from motor vehicles, forest clearing and open burning, all of which require comprehensive legislation and stringent enforcement to ensure consumer protection.

4.5.5 Healthcare Services

With growing affluence in the ASEAN region, there are greater demands on health care services. Many governments face difficulties in coping with the demand and are relying on the private sector to play a complementary, or even a primary role in providing for the health care needs consumers.

The main consumer problems related to health care services in the ASEAN region spring from a shortage of manpower and resources. Common complaints such as lack of beds, long waiting time for treatment, insufficient drugs, overcrowding, faulty equipment etc are symptoms of inadequate resources as well as lapses in policy planning for health care services.

Table 4.5: Sources of credit or loans for consumers in AMSs.

Countries		Sources of credit or loans for consumers					
Indonesia			Banks	Loans from unlicensed money lenders	Pawnshops	Credit without collateral offered by non bank financial institutions	
Malaysia		Credit cards	Banks	Loans from licensed agents or money Lenders	Pawn brokers	Personal loans from unlicensed agents or moneylenders	
Philippines		Credit cards	Banks	Loans for unlicensed agents or moneylenders	Pawnshops		Cooperatives
Singapore		Credit cards	Banks	Loans from licensed agents/ Moneylenders	Pawn brokers	Personal loans from unlicensed moneylenders e.g.: Loan sharks	
Thailand			Banks	Loans for unlicensed agents or moneylenders		Non-banks institutions	
Vietnam		Credit cards	Banks	Loans from licensed and unlicensed agents or moneylenders			
Consolidated subgroup	Brunei	Credit cards	Banks	Home loan from government	Loans from government	Car loan from banks and financial institutions	
	Cambo dia		Personal loans from banks or microfinance	Loans for unlicensed agents or moneylenders	Pawn brokers	Personal loans from licensed agents	Group loans from licensed agents bank or microfinance
	Lao PDR	Government bank	Private group bank	Foreign banks			
	RU Myanmar	Banks	Pawn shops	State-owned small loan enterprises	Microfinance institutions	Credit societies	

4.5.6 Professional Services (Medical and Legal)

In the increasingly affluent ASEAN economies, with an expanding middle class, professional services offered by medical and legal practitioners have become important for consumers. Many common transactions use legal practitioners when drawing up contracts of sale and purchase, in settling disputes, in transferring properties and inheritances, family and domestic issues and in dealings with insurance companies.

Similarly, consumers seek the professional services of medical practitioners not only in times of illness, but also to ensure well being and to enhance the quality of life. Affordable and

reliable medical and legal services can therefore be considered an essential area of consumer protection.

The professional activities of medical and legal practitioners are governed by their respective professional associations and play an important role in providing protection for the consumer. Nevertheless, consumers do encounter problems such as fraud, dishonest practices and breach of confidentiality or corruption in their transactions with these professionals.

4.6 PRIORITIES OF FOCUS AREAS FOR CAPACITY BUILDING IN CONSUMER PROTECTION

Although the challenges faced by consumers in the focus areas and six core areas mentioned above are varied, the number of elements for capacity building that cut across all or most of the focus areas for consumer protection have been identified in terms of priority and sequencing based on Weigner's framework for prioritising requirements.

In using this model, each of the focus areas was considered against two scales as follows:

	Name	Meaning
Scale 1	High	A critical requirement for consumer protection
	Medium	Supports the system; required eventually but could wait until later
	Low	A functional or quality enhancement, would be nice to have someday if resources permit
Scale 2	Essential	These requirements must be satisfied to ensure consumer protection
	Conditional	These requirements would enhance consumer protection, but absence of these requirements does not negate consumer protection
	Optional	These requirements may or may not be worthwhile for consumer protection

Source: Adapted from Karl E. Wiegner (n.d.) First Things First: Prioritising Requirements.”

The focus areas for capacity building were prioritised as follows (Table 4.6):

Table 4.6: Prioritisation of Focus Areas

		SCALE 1			SCALE 2		
		High	Med	Low	Essential	Conditional	Optional
1	ASEAN Consumer Protection Framework / Guidelines	√			√		
2	ASEAN Consumer Protection Policy	√			√		
3	Consumer Protection Policy – National	√			√		
4	National Master Plan	√			√		
5	Legislation – Principal Consumer Protection Act	√			√		
6	Institutional Structure	√			√		
7	Enforcement	√			√		
8	Redress Mechanisms	√			√		
9	Consumer Related Laws	√			√		
10	Consumer Education		√		√		
11	Core Consumer Areas		√		√		
12	HRD	√			√		
13	ACCP / CCPID	√				√	
14	NGO Development		√			√	
15	Advocacy		√		√		
16	ASEAN Facility		√			√	
17	Children and Advertising			√		√	
18	Women			√		√	
19	R & D			√		√	
20	Codes of Conduct			√			√

Areas that scored “High and Essential” are priorities for capacity building. As such, the priority areas for capacity building are identified as follows:

- A. Policies.** Regional and national consumer policies recognise the fundamental rights of consumers, reduce inequalities and provide mechanisms for instruments, structures and resources.
 - B. Master Plans.** A natural outcome of consumer protection policy framework is the development of a national consumer master plan which will create the framework for enhancing consumer protection in each AMS.
 - C. Regulation and Laws.** Appropriate legal frameworks are necessary to develop consumer protection legislation.
 - C.1 Principal Consumer Protection Law,** which is an all-round legal umbrella provided by governments to protect consumers.
 - C.2 Consumer-related Laws and Statutes.** Currently, a patchwork of laws in each AMS creates an array of problems both for consumers and businesses. Therefore a review of existing consumer-related laws and statutes is essential to consolidate and modernise laws to meet the requirements of changing markets, including harmonisation.
- Emerging concerns**
- C.2.1 Children and Advertising.** As lifestyle illnesses have become a growing problem in ASEAN, advertisements related to the promotion of unhealthy food need to be regulated.
 - C.3 Codes of Conduct** is essential self-regulatory mechanisms to ensure voluntary compliance and reduce the economic cost of regulation in key consumer industries.
- D. Establishing Institutional Structures.** A functioning national consumer protection agency is pivotal for strengthening and supporting a comprehensive consumer protection regime in each AMS. As consumer issues cut across many administrative jurisdictions, inter-agency coordination needs to be formalised in countries where there are no consumer NGOs, AMSs should be encouraged to establish consumer organisations.
 - D.1 ACCP** is a key institutional mechanism within ASEAN for proactively developing sound consumer protection mechanisms regionally and nationally.
 - D.2 Consumer Protection Programmes and mechanisms.**
 - D.3 Human Resource Development:** An adequate pool of personnel competent in consumer protection laws, regulations and areas is essential.
 - D.4 Consumer Empowerment and Awareness:** Consumers need skills to be able to make informed decisions on the goods and services they purchase. Therefore a systematic approach towards consumer education covering

constituencies such as women, consumer issues, delivery systems and appraisal procedures must be part of the consumer protection regime.

D.5 Regional Facility: A regional facility for consumer protection would bring multiple benefits for AMSs which are at different stages of economic and social development. The benefits of such a facility range from resource maximisation, sharing of best practices in consumer protection and additionally will pay dividends by catalysing regional harmonisation process.

D.6 Research and Development: AMSs need to create institutional platforms to undertake research and development to strengthen consumer protection.

E. Enforcement. Enforcement is the cornerstone of consumer protection. It is critical to empower regulatory authorities by providing adequate human resources and training and better inter-agency coordination.

F. Redress Mechanisms. Highly responsive and speedy consumer redress systems create a dignified, consumer-friendly enabling environment supported by a punitive system to deter consumer-related offences and injuries.

G. Women as Consumers. As women are triple consumers, and important drivers of the economy, they require skills in making judicious decisions.

H. Core Consumer Areas. The burgeoning ASEAN market in goods and services has brought with it new challenges for consumers particularly in the following areas: product safety and labelling, phone and internet services and e-commerce, consumer credit and banking, health and legal services (medical and legal). Capacity building needs for regulators, businesses and consumers in these areas have to be addressed.

- i. An important capacity building need was identified with regard to **Research and Development** on consumer protection in all the six core areas of consumption.
- ii. The capacity to **develop, implement and evaluate policies** for consumer protection was identified as priority for product safety, phone and internet services, consumer credit, and healthcare.
- iii. The capacity to **monitor and enforce laws, codes of conduct and compliance** to standards was found to be important for enhancing consumer protection with regard to product safety, banking and consumer credit, the environment, health care and professional medical and legal services.
- iv. Capacity building needs were also identified with regard to the **good standards development** practices for consumer credit and banking, environmental issues, health care and professional services.
- v. The establishment of effective **redress mechanisms** in the area of phone and internet services, consumer credit and banking and healthcare, was another aspect of consumer protection where capacity building needs were identified.
- vi. Assistance to **develop the technical competencies** of consumer protection agencies in the area of phone and internet services, consumer credit and banking,

the environment, and professional services, was identified as important in order to enhance consumer protection could be enhanced.

Apart from the above, capacity building needs for consumer protection in the following areas of consumption in the six core areas were also found to be important among the AMSs:

- Risk assessment for product safety
- Technical aspects of product safety and labelling
- Financial literacy
- Ethical financial and banking practices
- Clean development mechanism with regard to the environment
- Ethical marketing of drugs and medicines
- Rational use of medicines and supplements
- Understanding the specific health needs of women

4.7 FORMS OF ASSISTANCE FOR CAPACITY BUILDING

As part of the general survey, stakeholders indicated the different forms of assistance for capacity building that they prefer. Based on these responses an index was computed (on a scale of 1 to 7) to assess the degree of preference for each form of assistance. (Refer to table A 4.8 Appendix 1). The methodology for computing the index was similar to the one described in Chapter 2 for developing the capacity building needs.

The survey indicates that the most preferred form of assistance is **training on the six consumer specific areas** (Index 5.31). This is an indication that the agencies that have the responsibility for consumer protection in the AMSs themselves have to develop a better understanding and appreciation of the intricacies of the six core aspects of consumption or work with other relevant agencies. Other preferred forms of assistance which registered an Index of more than 5.0 are:

- **Twinning or partnership with agencies or institutions within the region:** By exchanging experiences and information with similar organisations in ASEAN, consumer protection personnel could expand their knowledge and understanding of consumer issues and improve their competency in providing protection for consumers
- **Training on fund-raising.** While public consumer protection agencies are not expected to raise funds, they nevertheless need to ensure that adequate funds are allocated for their activities from the national budget. Public sector consumer protection agencies need the ability to formulate and present well-formulated action programmes and budgets to ensure that they are adequately funded. Additionally, non-governmental organisations involved in consumer protection need to raise funds on a regular basis to fund their activities.

- **Assistance in networking with other stakeholders.** Since consumer protection is a multi-disciplinary endeavour, the ability to network and coordinate with multiple stakeholders, is an important competency for consumer protection personnel.
- **Study and exposure visits:** Study visits and exchanges with consumer protection agencies in countries where consumers enjoy a high level of protection, can help consumer protection personnel in ASEAN to appreciate and learn from the most current approaches and practices in consumer protection.

The range and preferred choice of forms of assistance will vary according to national circumstances such as the number of government agencies involved in CP and the nature of the existing organisational arrangement for enforcement.

4.8 CONCLUSION

For consumer protection in ASEAN to be enhanced, it is crucial for the capacity building needs of the AMSs be addressed. The AMSs have indicated key areas that consumer protection agencies require to enhance their capacities. The kinds of capacity building that are needed, such as training, competency in the development of laws and appropriate enforcement mechanisms have to be translated into coherent plans of action with the appropriate resource allocations, both nationally and regionally. The next chapter, *Roadmapping Capacity Building Needs in Consumer Protection in ASEAN*, presents strategies, recommendations, actions and best practices for strengthening the consumer protection capacity in the region.

Table 4.7: Five main difficulties faced by AMSs in implementing Consumer Protection programmes and activities.

Country	1 st Priority	2 nd Priority	3 rd Priority	4 th Priority	5 th Priority
Brunei Darussalam	Adequate laws	Adequate finances	Qualified and experienced Staff	Adequate number of staff	Inter-agency coordination
Cambodia	Adequate finances	Adequate number of staff	Office equipment (computer, fax, etc)	Access to experts	Inter-agency coordination
Indonesia	Adequate laws	Adequate number of staff	Adequate finances	Access to training	Access to experts
Lao PDR	Adequate finances	Adequate number of staff	Office equipment (computer, fax, etc)	Adequate laws	Office location
Malaysia	Adequate finances	Qualified and experienced Staff	Adequate number of staff	Adequate laws	Inter-agency coordination
RU Myanmar	n/a				
Philippines	Adequate finances	Adequate number of staff	Qualified and experienced Staff	Access to training	Adequate laws
Singapore	Adequate laws	Adequate finances	Inter-agency coordination	Qualified and experienced Staff	Adequate number of staff
Thailand	Adequate number of staff	Adequate laws	Adequate finances	Access to experts	Access to experts
Vietnam	Adequate finances	Qualified and experienced Staff	Adequate number of staff	Inter-agency coordination	Access to training

5. ROADMAPPING CAPACITY BUILDING NEEDS IN CONSUMER PROTECTION IN ASEAN

5.1 INTRODUCTION

The emergence of Asian economies, in what has been called the Asian century, with the concomitant economic, social and political changes that it entails is presenting both opportunities and challenges for the ASEAN Community.

Taking cognisance of these changes and challenges, the ASEAN Leaders at their Summit in Kuala Lumpur in December 1997 adopted the ASEAN Vision 2020 which is aimed at transforming ASEAN into a stable, prosperous and highly competitive region with equitable economic development and reduced poverty and socio-economic disparities.

Further, at the Bali Summit of October 2003, ASEAN Leaders declared in the Bali Concord II that the AEC shall be the goal of regional economic integration by 2020. The AEC, ASEAN Security Community and ASEAN Socio-Cultural Community are the integral pillars of the envisaged ASEAN Community. All three pillars are expected to work in tandem establishing the ASEAN Community in 2020.

In line with the ASEAN Vision 2020, various initiatives have been introduced, including the AEC Blueprint, ASEAN Socio-Cultural Community, ASEAN Intergovernmental Commission on Human Rights and ASEAN Commission on the Promotion and Protection of the Rights of Women and Children. These measures are designed to be people-centred and socially responsible and to contribute towards the well-being and welfare of the people. This requires governments, businesses and civil society in ASEAN to respond with dynamism for the security, welfare and prosperity of its people.

The acceleration in the rate of incidence of major social, technological, environmental and political changes regionally and globally in recent years demonstrates the importance of rigorous government interventions of policies and actions for the protection of consumers. Some examples that have directly impacted consumers include the occurrence of extreme weather events attributed to climate change, rise of genetically modified foods, and health crises such as Bovine spongiform encephalopathy (BSE) and Severe Acute Respiratory Syndrome (SARS).

The AEC Blueprint identifies consumer protection as a key area for the building of an integrated economic region. A regional approach to consumer protection is imperative as the liberalisation of markets and the creation of multilateral and bilateral free trade agreements between nations have led to a significant increase in the international trade in goods and services. New entrants to the global market from developing economies mean even greater competition and better prices for consumers.

Competition

The views of classical economist Adam Smith in 1776 on issues related to competition are instructive: “Our mission is to deliver a competitive framework for the growth of successful businesses and a fair deal for consumers. We want to help UK consumers and businesses enjoy more choice, better service, safer products and competitive prices.”¹⁴

The push for competition as a means to curb monopoly has received new impetus in recent decades. A UK government White Paper on International Competitiveness in July 2001 states: “Vigorous competition between firms is the lifeblood of strong and effective markets. Competition helps consumers get a good deal. It encourages firms to innovate by reducing slack, putting downward pressure on costs and providing incentives for the efficient organisation of production. As such, competition is a central driver for productivity growth in the economy”.

The potential gains from increased market competition are:

- Lower prices for consumers
- A greater discipline on producers/suppliers to keep their costs down and achieve economic efficiency
- Improvements in technology – with positive effects on production methods and costs
- A greater variety of products (giving more choice)
- A faster pace of invention and innovation
- Improvements to the quality of service for consumers
- Better information for consumers allowing them to make more informed choices
- A check on the concentration of economic power

Competition can take a variety of forms, which can be broken down into infrastructure competition (involving the construction of competing distribution networks) and service competition (relying upon a single distribution network). Competition may not be effective for all industries as the privatisation experiences of the UK since the 1980s has shown. While competition is good for telecommunications, it has not been effective for transport and water, for example.

The European Commission states that the competition policy it has pursued has a positive impact on consumer welfare. For example, the reduction of telephone charges, wider access to air transport and the possibility of buying a car in the EU country in which prices are lowest are tangible results.

The overall impact of increased competition should be an improvement of economic welfare. Competition is just a means to the end of consumer welfare, and it is necessary that it should be effective in achieving that end.¹⁵

¹⁴ The Wealth of Nations, Book I, Chapter VII

¹⁵ Understanding Regulation: Theory, Strategy and Practice - Baldwin, Robert, and Cave, Martin, pg. 211

But economic freedom must be pursued within a proper regulatory framework to protect consumers. Many competition laws include consumer protection.

Regulation, transparency and accountability are critical to protect the divergent interests of consumers and producers. The roots of the Financial Crisis of 2007/2008 illustrate this, as noted by Nobel Laureate economist Joseph Stiglitz:

“It has taken almost two years since the collapse of Lehman Brothers, and more than three years since the beginning of the global recession brought on by the financial sector’s misdeeds for the United States and Europe finally to reform financial regulation. Perhaps we should celebrate the regulatory victories in both Europe and the United States. After all, there is almost universal agreement that the crisis the world is facing today – and is likely to continue to face for years – is a result of the excesses of the deregulation movement begun under Margaret Thatcher and Ronald Reagan 30 years ago. Unfettered markets are neither efficient nor stable.”¹⁶

The consumer interest must be protected in the adoption of consumer policies. For example, the EU has intensified its co-operation with consumer organisations, particularly with BEUC (Bureau Européen des Unions de Consommateurs), which is the principal Europe-wide consumer association. The Commission holds regular meetings with consumer representatives on jointly selected topics and encourages consumer organisations to become more actively involved in pointing out areas which are of particular concern. It also builds in a consumer impact assessment in its evaluation of certain competition cases. A Consumer Liaison Officer within DG Competition ensures that consumer interests are more systematically taken into account in enforcement activities. This officer is in charge of establishing and maintaining close contacts with consumer organisations and closely observes cases in sectors that are particularly sensitive to consumers to encourage consumer groups to express their views and be heard.

In many countries an expanding middle class increasingly looks to other determinants than price in their selection of goods and services. Quality, reliability and safety become dominant factors in exercising choice. Thus, nations that address these issues through effective consumer policy and law can give themselves a competitive edge. The producers of high quality goods and services, such as the EU, USA, Japan, Australia, etc invariably have extensive national systems of consumer protection.

The adoption by the General Assembly of the United Nations Guidelines for Consumer Protection 1985 (expanded in 1999) provided an international regulatory framework for governments to strengthen consumer protection nationally based on a series of rights. Fundamental rights of consumers are identified as the right to safety, information, choice, representation, redress, consumer education, healthy environments and satisfaction of basic needs.

¹⁶ Financial Re-Regulation and Democracy, [Joseph E. Stiglitz](#), 2010-06-04

For ASEAN goods and services to have access to regional and global markets, they must meet international standards of safety and quality, with good regulation that matches the highest global standards. In achieving harmonisation of consumer protection laws, regulations and standards for goods and services, an important caveat is that the lowest common denominator is not an option.

For an effective and efficient consumer protection regime, ASEAN needs to function as a common market operating as a group of more than 500 million consumers. Markets working well need effective mechanisms to promote and protect consumer rights and to ensure consumers can activate competition. Well functioning markets are the basis for sustainable improvements in the overall welfare of the community that is necessary for the achievement of the Millennium Development Goals. Underlying this is the necessary development of the technical capacity of government, business and civil society to understand and implement consumer policy and consumer protection (and competition) laws.

Toward this end, a Roadmap for an ASEAN Community 2009-2015 has been developed which envisages an ASEAN single market and production base comprising five core elements: (i) free flow of goods, (ii) free flow of services, (iii) free flow of investment; (iv) freer flow of capital; and (v) free flow of skilled labour.

The economic convergence of ASEAN requires that all member states work together toward the level of consumer protection in developed economies, and to ensure that ASEAN consumers will derive maximum benefit from the operation of a single market.

The ASEAN Australia Development Cooperation Program Phase II (AADCP II) Project *Roadmapping Capacity Building Needs in Consumer Protection in ASEAN* makes a substantial contribution to the means of achieving such a consumer friendly market in the region.

The systemic development of a comprehensive range of strategies and actions for consumer policies, master plans, legislation and effective enforcement, just redress mechanisms and targeted programmes must be pursued. As consumer issues cut across many administrative jurisdictions, consumer protection measures require cross-sectoral collaboration and expertise in multiple competencies.

5.2 THE REGIONAL ROADMAP

Policy development takes cognisance of the consumer detriment, analysis of market problems, identification and evaluation of tools such as regulations, standards, moral suasion, licensing, dispute resolution and redress mechanisms, enforcement strategies through to consumer education and awareness. A policy will develop frameworks with objectives for consumer protection agencies to use when they might want to intervene in the market to address problems. The master plans provide a long-term time frame, with a clear vision and mission and objectives to enhance consumer protection regimes in all consumer-related areas. The legislation provides specific legal and administrative measures to enable consumers to be protected from unfair market practices.

The development of the ASEAN Roadmap for Capacity Building Needs in Consumer Protection involves multiple levels of capacity building in the 10 AMSs. This report identifies several priority areas for action towards this goal.

Roadmap Development Process

The process for the development of the Roadmap involved the following activities in the 10 AMSs: secondary data collection, a GS for Capacity Building in Key Consumer Areas, KIIs and RTDs. The findings and analysis were presented at the ACCP Workshop 2010 in Kuala Lumpur. (For more information, please refer to Chapter 1 of the Report.)

Based on the analysis of the data gathered and the inputs from the consultations, a Roadmap for Capacity Building for Consumer Protection is presented for an effective consumer protection regime in ASEAN. The Roadmap and implementation plan with assessment options for a comprehensive consumer protection in the ASEAN region requires the following elements: *consumer policy, consumer master plan, an enabling regulatory environment governed by comprehensive consumer protection legislation, supported by adequate enforcement and redress measures, human resource development and well-designed and targeted programmes for the benefit of consumers.*

The Roadmap identifies issues requiring capacity building and posits a comprehensive range of strategies, recommendations and actions as well as best practices and outputs. The key concerns in each issue are captured in the **rationale**. Specific **strategies** for developing the capacity in the target sectors based on priority consumer protection issues are then presented. A suite of **recommendations** was then developed with a comprehensive range of **actions** and **outputs** to address the key issues identified. Finally, **best practices** for each issue are identified.

Actions in the strategic thrust areas are presented for implementation in the short, medium and long terms. This Roadmap has been developed in the context of the assessment of capacity building needs of AMSs in consumer protection, and therefore, prioritisation of

strategies, recommendations and actions should be synchronised with the status of consumer protection nationally.

Capacity Building Process: Synergy and Sequencing

The foundation for capacity building in consumer protection lies in establishing an effective consumer protection regime. This is a continuous process that involves specific laws and policies, structures, strategies and programmes. Capacity building involves individuals, systems, organisations and resources as well as the entire consumer protection regime. Capacity building initiatives should be seen in the following contexts: (i) the existing situation of consumer protection (ii) the changing consumer environment, including a liberalised economic regime, single market, greater cross-border purchasing and increased use of the internet.

The following priority focus areas identified in capacity building for consumer protection at ASEAN are presented in **Section 5A** of the Roadmap:

- Regional Consumer Policy
- National Consumer Legislation and Master Plan
- Enforcement
- Redress mechanisms
- Core Consumer Areas
 - Product Safety and Labelling in Goods and Services
 - Consumer Credit and Banking
 - Phone & Internet Services and E-Commerce
 - Healthcare Services
 - Healthy and Safe Environment
 - Professional Services (Medical and Legal)
- Codes of Conduct

Section 5B of the Roadmap the fundamental structures that must be put in place:

- ASEAN Facility for Consumer Protection
- Human Resource Development
- Establishing Institutional Structures
- ACCP, SEACC, CCPID
- Consumer Education
- Research and Development
- Consumer NGO Development
- Advocacy

Section 5C covers emerging consumer protection areas:

- Protection of Children as Consumers
- Women as Consumers
- Advertising

In addition to the rationale, strategy, recommendations, actions and best practices, the priority levels for capacity building for consumer protection are indicated for each focus area. An Implementation Plan follows thereafter. The proposed time frame in implementing the actions recommended are based on the achievable capacity by 2015, as categorised as follows:

Short term: within 2 years (2011 - 2012)

Medium term: within 3 years (2011 – 2013)

Long term: within 5 years or beyond (2011 – 2015 or beyond)

SPECIAL RECOMMENDATION:

Strengthening the ASEAN Committee on Consumer Protection (ACCP)

In 2006, Malaysia proposed the ASEAN Coordinating Committee on Consumer Protection to enhance consumer protection in ASEAN. The committee was renamed the ASEAN Committee on Consumer Protection in August 2009.

Since the inception several meetings hosted by ASEAN member states have been held. The ACCP has been recognised in the ASEAN Economic Community Blueprint. The ACCP has established three working groups, i.e. (i) Working Group on Rapid Alert System and Information Exchange; (ii) Working Group on Cross Border Consumer Redress; and (iii) Working Group on Training and Education. Each working group has developed its own specific objectives to foster ASEAN cooperation in the area of consumer protection.

Recommendation:

In order for ACCP to facilitate the rollout of the *Roadmapping for Capacity Building Needs in Consumer Protection in ASEAN* report, a Strategic Plan for the ACCP should be developed and implemented. This Strategic Plan will be essential for ACCP to drive the successful implementation of the Roadmap.

The components of the Strategic Plan are a SWOT (Strengths, Weaknesses, Opportunities and Threats) Analysis of the ACCP, a systematic review of its programmes from 2006 – 2010 including achievements and challenges, the development of a draft Strategic Plan, capacity building needs and resource mobilisation.

Actions:

1. Include in the agenda of the June 2011 ACCP meeting a discussion of a Strategic Plan for ACCP, with a view to identifying its scope and components and to set a timeline for its development.
2. Identify an expert for the ACCP Strategic Plan in order to be completed by 2012.

SECTION 5A

5.A.1. REGIONAL CONSUMER POLICY

Create the right policy framework for enhanced consumer protection regime in ASEAN

High Priority

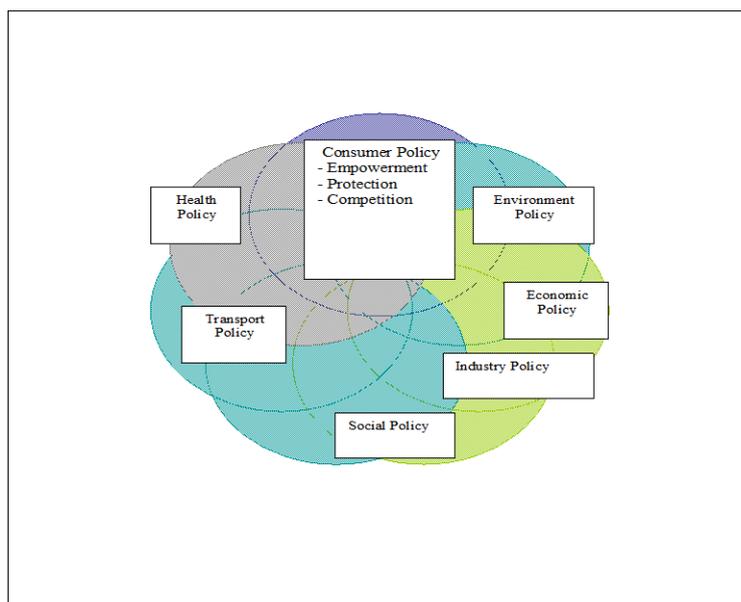
“Consumer policy is not only a political necessity; it is also an economic necessity. European consumers constitute a marketplace of almost half a billion individuals accounting for almost 60% of our GDP. Consumers are a driver of our economy and competitive markets are the best mechanisms to deliver them value and choice.” – EU Consumer Commissioner Meglena Kuneva

Consumers and consumer policy makers face many challenges in an open, global market as goods and services have been transformed profoundly over the past 20 years. The changes have resulted in the development of new technologies, complex products and the growth of consumer services and have required regulatory reform. These developments have brought significant benefits to consumers, accompanied by significant differentiation among related products and services. This makes it more difficult for consumers to compare and assess the value of what is in the marketplace. While increased global trade and the development of the internet provides new opportunities for consumers, new forms of fraud have emerged that require consumer protection authorities to be more vigilant and active in co-operating across geographical jurisdictions.

Consumer policy is a broad term for action geared at ensuring that the fundamental rights of consumers to basic needs, safety, redress, healthy environment, information, education, representation and choice are satisfied. In practical terms this will cover the enactment of laws, the implementation of guidelines, ordinances and prakas, the establishment of institutions, the sharing of skills and the provision of information which are vital to improve the quality of life of consumers.

A consumer policy framework should be predicated on the recognition of the rights that citizens have as consumers. These rights have been enshrined in the UN Guidelines for Consumer Protection 1999 as the rights to basic needs, safety, information, choice, representation, redress, consumer education and a healthy environment.

Consumer protection rights, issues and areas cut across many jurisdictions resulting in large overlaps between areas of public policy. Inter-ministerial and inter-departmental coordination, including at the local government levels, are frequently needed to make sound public policy. The figure below illustrates this. A large part of the consumer policymakers’ role is communicating the consumer interest to other policy makers, e.g. through consumer advisory bodies or consumer impact statement.

Figure 5.1: Mapping of Consumer Policy

(Source: Robin M G Brown, *Australia's Consumer Policy Framework*)

Consumer policy can be divided into three main subsets:

- Consumer empowerment policy, to empower consumers to act in their own interests,
- Consumer protection policy, to provide for protection of consumers and action on their behalf in circumstances where, for one reason or another they are not able to fully prosecute their interests, and
- Competition policies, to ensure, as far as possible, consumers benefit from competition so that efficiency gains make standards as high as possible and prices as low as possible.

As the AMSs have indicated at the ACCP Workshop 2010, the development of a Consumer Protection Policy is a priority area for action, while those AMSs that have a Consumer Protection Policy want to review their consumer policies.

Strategy

Create an ASEAN regional mechanism for harmonising consumer policy in ASEAN Member States.

Recommendation

High Priority & Long Term:

1. Development of an ASEAN Regional Consumer Policy

For the protection of consumers, *a priori*, ASEAN requires a Consumer Policy. The *raison d'être* of the consumer policy is to provide the highest level of consumer protection for ASEAN consumers.

As national consumer legislation has been enacted to address specific regulatory issues over several decades, they tend to be diverse and disparate in the protection they provide to consumers. Frequently, the interests of consumers and businesses receive different treatment in different regulations and need to be harmonised.

The primary objective of a regional consumer policy is to harmonise consumer protection laws and regulations by appropriate means, to give consumers the confidence necessary to conduct transactions anywhere in an ASEAN single market.

There is also a need to enhance the quality of laws and regulations and the implementation of consumer redress mechanisms. Uniform information on products and services is needed in view of the growing cross-border movement of goods, services and transactions.

High Priority & Short - Medium Term:

2. Development of a set of Regional Guidelines on Consumer Protection.

In the short to medium term, policy making will entail discussions and consensual agreements across Ministries in respective countries that may extend beyond 3 – 5 years. In the interim, it is recommended that AMSs develop and adopt a set of ASEAN Regional Guidelines on Consumer Protection for 2013.

Policy makers, regulators, consumer protection agencies and consumer groups need to share expertise and knowledge on consumer protection matters. With economic integration, cross border protection of consumers becomes more important.

Actions

Short – Medium Term:

1. Hold a briefing for ACCP members on an ASEAN-wide consumer policy for a single market.
2. ACCP to produce a Regional Handbook on Consumer Protection in ASEAN which includes a general overview of ASEAN CP law framework and scope of CP in ASEAN as well as substantive and procedural CP law applicable in individual AMSs.
3. Conduct an in-depth study on the impact of accelerating a Regional Consumer Policy on national regulatory regimes and trade in BCLM countries.
4. Hold a Regional Consultation for policy makers on developing/reviewing National Consumer Policies.
5. Develop ASEAN Regional Guidelines on Consumer Protection.

Long Term:

6. Establish an ASEAN Ministerial Committee for the harmonisation of consumer policy
7. Develop the Regional Consumer Policy, which include a Work Plan with implementation milestones.

To provide the background data for the Regional Consultation, the ASEAN Secretariat should produce a regional status report on consumer protection in ASEAN covering

policies, legislation, institutions and programmes based on the research undertaken for the *Roadmapping Capacity Building Needs in Consumer Protection in ASEAN*.

The Handbook is intended to be a resource guide on the state of consumer protection policies, legislation, institutions and programmes in each of the AMSs in preparation for the Regional Consultation.

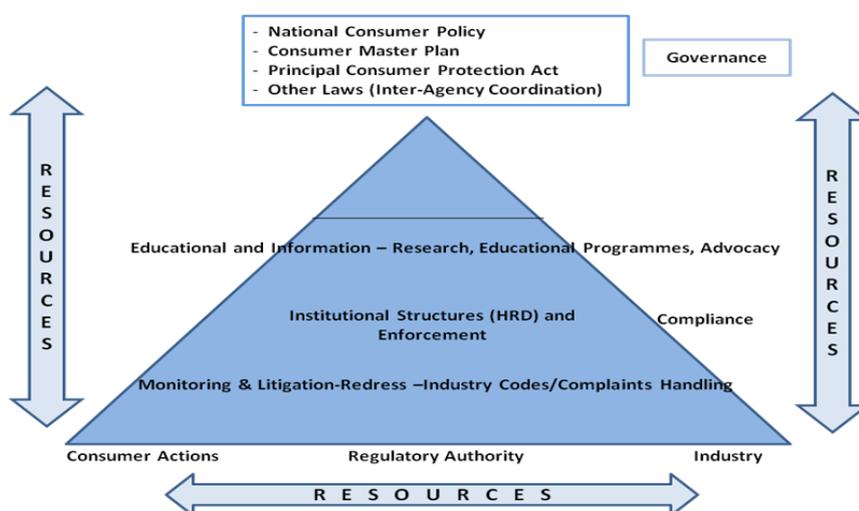
The OECD Consumer Policy Toolkit is to be utilised to frame discussions and as resource material to assist in the Regional Consultation. Figure 5.1 illustrates framework and process to be utilised to achieve an efficient CP ecosystem.

The Regional Consultation stage will prioritise action on the following:

- The status of the implementation of the UN Guidelines for Consumer Protection 1999
- Major consumer concerns within the ASEAN region that have been identified in the *Roadmapping Capacity Building Needs in Consumer Protection in ASEAN* report
- Regulatory, redress and consumer education needs in core areas regionally
- Understanding key aspects of best practices in the development of consumer policies
- The challenges for a consumer protection regime in a single market

The Regional Consultation will initiate the groundwork for the long term establishment of a regional ASEAN ministerial committee for the harmonisation of consumer policy.

Figure 5.2: Consumer Protection Ecosystem



Outputs**Short – Medium term**

1. Regional Handbook on CP in ASEAN.
2. Publication of study on impact of accelerating consumer protection regulatory regime, particularly in BCLM countries.
3. ASEAN Regional Guidelines launched by ASEAN ministers by 2013.

Long term

4. Establishment of ASEAN Ministerial Committee for the harmonisation of consumer policy.
5. Regional Consumer Protection Policy adopted by 2015 in all AMSs.

Best Practices:

1. As an economic community that has some characteristics in common with ASEAN, the European Union (EU) serves as a model for consumer protection measures, such as the EU Consumer Policy Strategy 2007-2013.¹⁷ The EU has developed a consumer protection policy that applies to all its member states. An EU-wide policy is important because the EU aims to operate an internal market, where all member states are treated as belonging to the same regulatory regime and trade between entities in different states is no different from trade between entities within a state in the EU. The EU believes that if trade is facilitated between entities in different member states, competition will be enhanced as consumers can compare goods and services in many states. For consumers to be able to safely and confidently shop in other EU states, consumer protection needs to be consistent among states.

The EU recognises that it is the function of the EU to protect the health, safety and economic well being of every consumer, promote their rights to information and education and take steps to safeguard their interests and encourage them to establish consumer associations.

2. The OECD Consumer Policy Toolkit is a practical guide that is designed to aid policy makers in using a systematic approach to identify and evaluate consumer problems and to develop, implement and review effective consumer policies so that consumers can play their role in ensuring a dynamic economy. It focuses on policies for which consumer authorities are typically responsible.¹⁸
3. Malaysia and Indonesia have consumer policy in place.

¹⁷ http://ec.europa.eu/consumers/overview/cons_policy/doc/cps_0713_en.pdf

¹⁸ www.oecd.org/sti/consumer-policy/toolkit

5.A.2 NATIONAL CONSUMER LEGISLATION AND MASTER PLAN

A comprehensive set of action plans and programmes are required to achieve the highest levels of consumer protection aspired to by ASEAN and matching the best anywhere in the world. AMSs need to include a Consumer Master Plan in their national development plans.

High Priority

Rationale:

Consumer issues cut across many jurisdictions, so consumer protection measures require cross-sectoral collaboration and expertise in multiple competencies. The logical and sequential approach is to begin with policy development followed by master plans. Necessary legislation is required for the efficient implementation of master plans. An integrated approach to the development of consumer protection policies, master plans and legislation will facilitate the consolidation and modernisation of laws to meet the requirements of changing markets, including harmonisation.

The main objective of a National Consumer Policy (NCP) is to provide the highest form of consumer protection. The policy statement serves to guide the formulation of policies and legislation spanning all forms of transactions and activities affecting consumers. It should be premised on the concept of sustainable development and sustainable consumption.

The NCP aims to encourage a balance between the rights and responsibilities of consumers, business and government in pursuing the roles and obligations of each. It encourages a sustainable consumption framework for all and the protection of national sovereignty and integrity, towards achieving the national vision of promoting the well-being and welfare of consumers in the era of globalisation. It also seeks to establish legislation, fair trade practices, consumer education, and to promote healthy living, advocate for public services and other related facilities to nurture consumer welfare.

A **Master Plan** provides the opportunity for an assessment of needs in consumer protection, interventions in strategic thrust areas for priority attention such as policies, legislation and consumer-related programmes. It helps to provide focus in the development of legislation, institutional reforms, innovations and for building competencies to address global and regional challenges impinging on consumer choice and safety. A Master Plan normally identifies actions that can be implemented over five to 10 years. A comprehensive Master Plan details strategic directions and recommendations for enhancing the consumer protection regime at the national level.

The Consumer Master Plan provides the framework for a national consumer protection regime in the AMSs that will include recommendations and actions for legislation, the regulatory environment, adequate enforcement measures and programmes. The Master Plan will include recommendations for resource mobilisation, such as financial and human resource development, acquisition of expertise and skills in relation to consumer protection.

Principal Consumer Protection Act

As markets evolve and change, new laws become necessary and old regulations can become outdated, unnecessary and sometimes burdensome. Existing laws cannot be left to ossify as they attract sometimes enormous costs in administration and enforcement. To meet new needs and challenges, new frameworks for regulations are necessary.

A comprehensive act is an all round legal umbrella provided by government to protect consumers. The principal act should have a consumer protection framework which embraces every transaction in which consumers participate and every form of contract with a bearing on those transactions (before and after the transaction occurs).

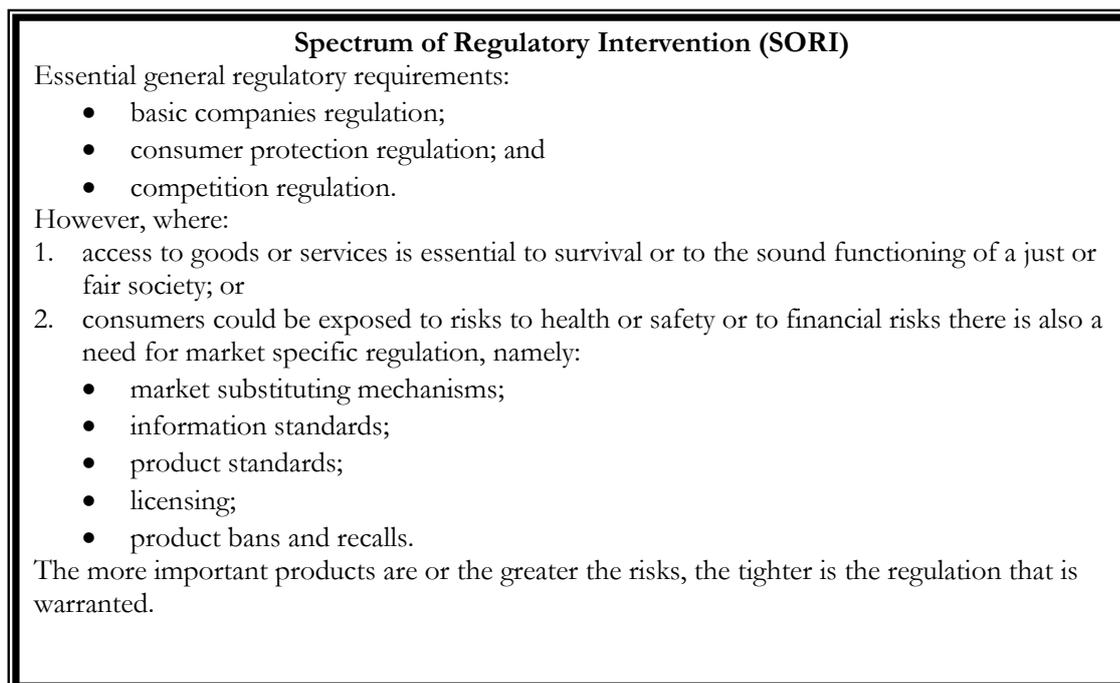
Different countries adopt different legislative structures and institutional models in their efforts to protect consumers. Among the AMSs, various laws, statues, decrees, ordinances and prakas have been introduced to deal with a wide range of consumer concerns such as unfair trade practices, consumer safety, warranties, enforcement and dispute resolution.

Consumer law is predicated on the promotion of equitable, sustainable economic and social development and consumption. Successful and sustainable economies will take into account the interests and needs of consumers. They combine free market principles and fair trade with the recognition that consumers, particularly those in developing economies, face imbalances in bargaining power, information and access to justice. They recognise that within each society, the economically disadvantaged are especially affected.

Consumer laws are tools to be used by nations to achieve adequate protection for their people as consumers. Legislation should be able to identify and address crucial areas for consumer protection generally, focusing on:

- Protection of consumers from hazards to their health and safety through consumer products and services;
- Promotion and protection of the economic interests of the consumer through fair trade and competition;
- Access of consumers to adequate information to enable them to make informed choices according to individual needs and wishes responsibly exercised;
- Access to cheap, effective and speedy remedies;
- Consumer education to empower consumers to protect themselves;
- Freedom to form consumer and other relevant groups or organisations and the opportunity of such organisations to present their views in decision-making processes affecting them.

Laws must be enacted to enable a safe, fair, informed and competitive market in which the interests of all stakeholders are recognised.

Figure 5.3: Spectrum of Regulatory Intervention.**Strategy:**

Develop appropriate national policies, plans and legislation within the framework of the ASEAN Regional Consumer Policy to lay the foundation for a comprehensive consumer protection regime in AMSs.

Recommendations:**High priority****Short to medium term**

1. The development of policies, plans and regulations will have implications on resources, administration and operations. As the AMSs are at different levels of socio-economic development, each AMS should undertake a study on the impact of policy acceleration in relation to consumer protection, particularly in the BCLM.
2. All AMSs to develop a National Consumer Master Plan for a period of 10 years by 2013.

Long term

1. For consumer protection to cover the full range of consumer goods and services, including trans-border commerce, AMSs to have a Principal Consumer Protection Act in place by 2014. Those AMSs that have a principal consumer protection act should review, identify gaps and amend the law as required. BCM to at least have some form of consumer protection regime in place by 2015.

2. Have in place the National Consumer Policy in Philippines, Singapore, Vietnam, Thailand, Brunei Darussalam, Cambodia, Lao PDR and The Republic of the Union of Myanmar within 5 years of the development of a National Master Plan. Those AMSs that have a consumer policy (Malaysia and Indonesia) to review by 2014.
3. All AMSs to harmonise national laws on cross border shopping by 2014. By 2018 for AMSs that do not have policies/laws on cross border transactions to have some form of consumer protection in place by 2015.

Actions:**Short Term**

1. Organise an ASEAN regional consultation (2012-2013) towards developing a model consumer protection law for AMSs.
2. Organise a series of training programmes on consumer protection to level off understanding on CPL especially focussing on BCLM.

Short to Medium Term

3. Establish a national inter-agency expert committee which will include the ACCP country representative, principal consumer protection agency, economic planning unit, ministry of finance, national statistics department, ministry of trade, competition agency or commission and other relevant agencies. The expert committee will oversee the following:

- outlining the procedures and processes such as policy objectives and policy options for developing the National Consumer Policy,
- commissioning and overseeing the development of the Consumer Master Plan,
- reviewing existing consumer protection legislation and statutes, undertake impact audits and identify gaps.

The scope of the review should include the regulatory regime and the efficacy of existing enforcement mechanisms. The review should encompass all laws, statutes, decrees, prakas and ordinances concerning consumer protection with a view to consolidating them to meet the needs of changing markets. The comprehensive review of consumer protection laws in each AMS should be carried out with a view to modernising, strengthening and harmonising consumer legislation.

4. Update the information on consumer protection produced in 2011 as an output of the AADCP II project. By 2012, collate primary data on the consumer situation through roundtables, focus group discussions, and interviews with key persons. Consultations should involve all stakeholders including consumer groups, women's organisations, senior citizens, businesses and professional bodies. Undertake reviews and analyses of secondary data on consumer issues, surveys and policies.

Medium Term

5. Appoint experts as required to develop the NCP, Master Plan and Principal Consumer Protection Act. The proposed principal CPA should respond to international developments in the area of consumer protection and draw upon best practices from other countries/regions.

Medium to Long Term

6. Develop and implement programmes to generate public awareness of the NCP.

Figure 5.4: Six steps of consumer policy making¹⁹

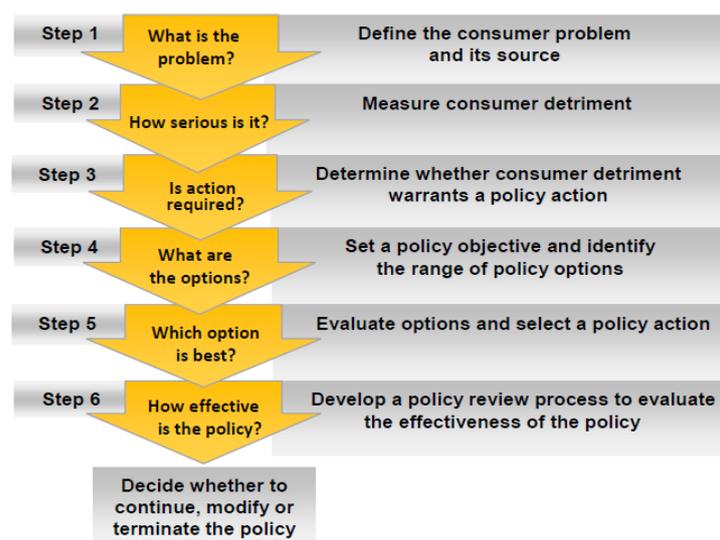
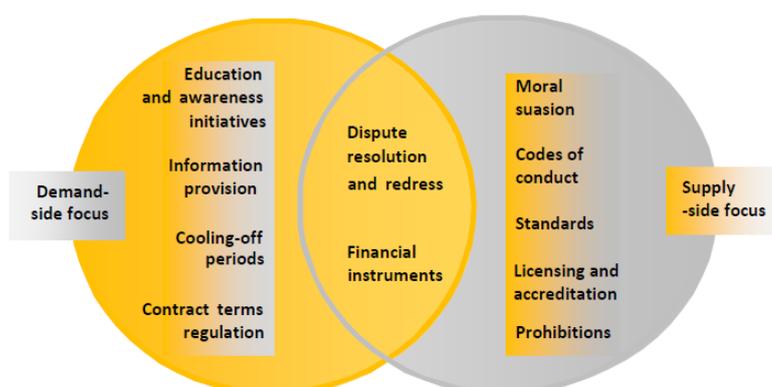


Figure 5.5: Consumer policy tools to target the demand and supply side of markets.²⁰



¹⁹ www.oecd.org/sti/consumer-policy/toolkit

²⁰ www.oecd.org/sti/consumer-policy/toolkit

The National Consumer Policy provides the guiding principles for the development of the Consumer Master Plan. In the light of rapid domestic and external changes, the dynamism and effectiveness of a Master Plan lies in its constant evolution based on periodic reviews and fine tuning for it to remain relevant.

The scope of the Consumer Master Plan will cover the following processes:

- Analysis of the formal operating context ranging from policies through to regulation, enforcement, redress and programmes in which government, consumers and business operate.
- Analysis of actual operating context of consumers in relation to consumer protection, the business environment and consumption behaviour.
- Assessment and review of consumer protection laws and consumer related programmes.
- As competition has an important impact on consumer welfare, the Consumer Master Plan should include mechanisms to enhance competition.
- Identification of strategic thrust areas for action by the various agencies as consumer issues cut across a broad range of administrative areas.
- Designing of the National Roadmap for Consumer Protection with a milestone implementation plan based on the assessment of existing consumer protection laws and programmes.
- Presentation of a suite of recommendations to strengthen consumer protection nationally.
- Reviewing of the Consumer Master Plan by the expert committee.
- Adoption of the Consumer Master Plan by national governments.

Outputs:

Short Term

1. Impact study of policy acceleration in BCLM by 2013
2. A Consumer Master Plan adopted by all AMSs by 2013
3. National Consumer Policy adopted in all AMSs by 2012
4. Training programmes implemented on consumer protection legislation for BCLM

Medium Term

5. By 2015, all AMSs to implement a principal consumer protection act that reflects the harmonisation agreements in a single market.
6. A pilot cross-border consumer protection regulatory environment in place by 2015.
7. Create a network for industry Ombudsmen organisations.

Long Term

8. Comprehensive consumer protection regulatory regime in place in all AMSs by 2018.

Best Practices:

- OECD Consumer Policy Toolkit
- Australian Consumer Law (ACL)
From 1 January 2011, Australia adopted a single national consumer law that merged competition and consumer protection. The ACL includes unfair contract terms law, law guaranteeing consumer rights when buying goods and services, product safety law, law for unsolicited consumer agreements, rules for lay-by agreements and new penalties, enforcement powers and consumer redress options.
- Consumer Protection Act 2002 of Ontario, Canada, is a comprehensive legislation that consolidated other consumer protection statutes such as the Business Practices Act, the Consumer Protection Act, the Loan Brokers Act, the Motor Vehicle Repair Act, the Pre-paid Services Act, etc
- The European Community has been promoting consumer protection and harmonisation of domestic legislation in the Community through a series of Directives. Some of these Directives form the basis of international standards for appropriate levels and forms of consumer protection. Some examples are the Directive on Unfair Terms in Commercial Contracts (1993); the Directive on Distance Selling (1997); the Directive on the Sale of Consumer Goods and Guarantees (1999) and the Directive on Unfair Commercial Practices (2005).
- The OECD has issued several Guidelines that have influenced government actions such as the Guidelines on Protection of Privacy and Cross-border Data Flow of Personal Information (1980) and the Guidelines for Protecting Consumers from Fraudulent and Deceptive Commercial Practices Across Borders (2003).
- The UN Guidelines for Consumer Protection 1985 (expanded in 1999).
- John T Wood's Matrix on "What Consumer Laws Should Do."

5.A.3 CODES OF CONDUCT**Low Priority****Short Term****Rationale:**

Industry self-regulation by definition is regulation by industry. Governments encourage self-regulation to reduce the costs of regulating business and to improve consumer satisfaction. Effective self-regulation can also avoid the often overly prescriptive nature of regulation and allow businesses the flexibility to provide greater choice for consumers and encourage business to be more responsive to changing consumer expectations.

Self-regulation can put in the marketplace goods and services of acceptable international standards. Various forms of self-regulation cover a broad range of industries, including advertising, broadcasting and the media, direct marketing, financial services, telecommunications and professional services, e.g. medical, accounting and legal.

Strategy:

Promote a culture of self-regulation among businesses to ensure voluntary compliance and reduce the economic costs of regulation.

Recommendation:

Ensure that a diversity of stakeholders be involved in the self-regulatory mechanisms of consumer-related industries, including advertising, media, financial services, professional services and telecommunications.

Actions:

1. National consumer protection agencies in AMSs to facilitate the establishment of self-regulatory mechanisms in key industries. The ethical framework of the governing codes should be drawn up by governments. Government institutions to be involved in the monitoring and review of codes of conduct. Produce a Generic Handbook on Code of Ethics which will provide a template for ethical codes of business conduct.
2. Self-regulatory institutions to obtain official endorsement of industry codes of conduct. Government endorsement of a code carries with it an obligation for the monitoring of the code.
3. Establish a central code monitoring body with diverse stakeholder representation in each AMS to monitor, maintain and enforce the self-regulatory regime.
4. Include ISO 26000 on corporate social responsibility in codes of conduct.
5. Establish access to dispute resolution mechanisms such as Ombudsman Schemes in codes that cover core areas of consumer protection.
6. Distribute information on industry codes of conduct promptly and widely to the public.
7. Train stakeholder representative groups on monitoring codes of conduct to promote transparency and build confidence in self-regulatory schemes.

Outputs:

- The central code monitoring body in each AMS to publish annual reports on code monitoring activities.
- Establish Regional Codes of Conduct particularly for Telecommunications and Financial Services.

Best Practices:

- The Malaysian Business Code of Ethics
(http://www.kpdnkk.gov.my/index.php?option=com_content&task=view&id=220&Itemid=250&lang=english)
- WHO/ UNICEF International Code of Marketing of Breast-milk Substitutes
(http://www.unicef.org/nutrition/index_24805.html)
- Institute of Business Ethics, UK (<http://www.ibe.org.uk/>)

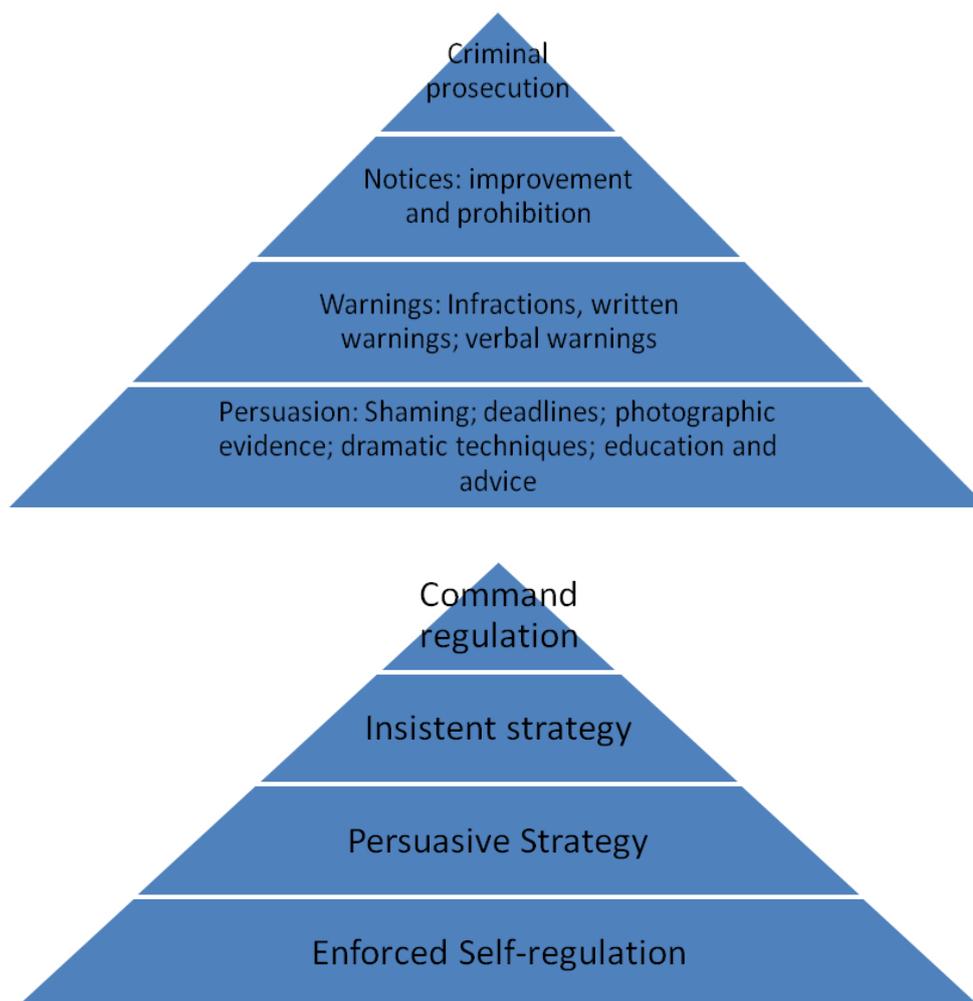
5.A.4 ENFORCEMENT**High Priority****Short to Medium Term****Rationale:**

A UK government report on reducing the administrative burden on business concludes that “efficient enforcement can support compliance across the whole range of businesses, delivering targeted, effective interventions without unreasonable cost to business. Inflexible or inefficient enforcement increases administrative burdens needlessly, and thereby reduces the benefits that regulations can bring.”

Enforcement agencies need to consider five central issues to ensure compliance with the law. These are: the appropriate styles of enforcement, the relevant rules of enforcement, assessing when to intervene, determining how far to pursue enforcement and controlling non-compliance by corporations.

Furthermore, the UK government report concluded that, “Enforcement can influence regulatory success or failure not merely by affecting the achievement of the right objectives. It can also impinge on the quality of regulatory processes.”

Regulators seek to gain compliance with the law not merely by resorting to formal enforcement and prosecution but by using a whole range of informal techniques including education, advice, persuasion and negotiations.

Figure 5.6: Pyramid of Enforcement Strategies.²¹

Ian Ayres and John Braithwaite, who introduced the concept of enforcement pyramids, have commented: “To reject punitive regulation is naive; to be totally committed to it is to lead a charge of the light brigade. The trick of successful regulation is to establish a synergy between punishment and persuasion.”

Cultural differences may also be seen as producing differences in enforcement styles. It has been said that the American system of enforcement tends to be more adversarial, litigious and deterrence based than the more compliance oriented British approach, but caution should be exercised in viewing national approaches as homogenous – variations of styles may be encountered even within single agencies.²²

²¹ “*Understanding Regulation: Theory, Strategy and Practice*” Baldwin, Robert and Cave, Martin. These pyramids derive from the original work in *Responsive Regulation* by Ayres & Braithwaite.

²² “*Understanding Regulation: Theory, Strategy and Practice*”. Baldwin, Robert and Cave, Martin.

Strategy:

Raise the level of compliance of consumer protection laws and regulations through the empowerment of regulatory authorities by providing adequate human resources and training, better inter-agency coordination, monitoring of self-regulatory mechanisms and creating awareness of and identifying gaps in regulations.

Recommendations:

Long Term

- 1) Make enforcement the cornerstone of consumer protection by focusing enforcement programmes to eradicating unethical trade practices, exploitation of consumers and profiteering and removing unsafe goods and services from the market.
- 2) Develop a Good Practice Enforcement Model according to national needs and ensure that adequate resources are provided for its effective implementation.
- 3) Update enforcement processes in line with changing market trends, including cross-border transactions.

Actions:

1. Develop a comprehensive programme including best practices for the capacity building of enforcement officials in all jurisdictions related to consumer protection.

Table 5.1 analyses the different principles for regulation, the basis for having the regulations and the challenges and issues involved in implementing them.

Table 5.1: Benchmarks for Regulation.²³

Claim to Legitimacy	Essence of Claim	Problems
Legislative Mandate	Authorisation from elected legislature.	Parliament's intention may be vague. Stated objectives for regulation may exist in tension or conflict. Parliament may have delegated the power to flesh-out objectives. Large discretions may be given to regulators.
Accountability or Control	Regulator is properly accountable and controlled and so is responsive.	Is the body holding to account properly representative? Is the trade-off of accountability and efficiency acceptable?
Due Process	Support is merited because procedures are sufficiently fair, accessible, and open, to expose to democratic influence.	Who should be allowed to participate? What is the acceptable trade-off between openness or accessibility and efficiency? Is the <i>mode</i> of participation appropriate?
Expertise	'Trust to my expertise' because a judgement has to be made on the basis of a number of factors and variables and specialised knowledge skills and experience have to be applied.	Public is poorly positioned to evaluate expertise. Difficult for expert to explain reasoning or judgement to lay persons. General distrust of experts and arcane language. Public desire for openness and accountability. Conflicts between experts undermine public confidence. Public may see experts as self-interested or captured. Public sceptical of neutrality of regulatory decisions where certain parties gain advantages.
Efficiency	Legislative mandate is being implemented efficiently. Efficient results are produced.	See problems of legislative mandate claims. Conflicts with legislative mandate may arise. Distributional questions may be begged or left out of account. Measuring efficiency is difficult.

²³ Adapted from "Understanding Regulation – Theory, Strategy and Practice." Robert Baldwin & Martin Cave, page 85.

The comprehensive programme will cover the following areas:

i. Human Resources

- Form a Task Force to identify all types of Enforcers for Consumer Protection in each AMS.
- Establish an ASEAN training institute for enforcement officials in consumer protection.
- Create an ASEAN network of enforcement agencies involved in consumer protection.
- Develop training programmes on consumer protection for local authority officials.
- Create a network of enforcement partners, including local authorities. One of the functions of the coordinating committee on Enforcement is to advise businesses, their legal advisors and consumer organisations on enforcement actions under consumer protection laws e.g. how business will be affected if they breach Consumer Protection Laws.
- Set annual enforcement targets and outcomes to raise the benchmark for enforcement agencies.
- Develop a consistent reporting format on enforcement and outcomes that facilitates a comparative analysis of the performance of regulators.

ii. Inter-agency Coordination

- Develop an institutional architecture to undertake coordinated planning in approach and operations to facilitate inter-agency actions on consumer protection issues. Invest adequate financial resources and personnel to build effective coordination between different public sector agencies.
- Establish an inter-agency coordination committee of agencies involved in consumer protection to optimise enforcement mechanisms, utilisation of financial and human resources and to foster cross-pollination of approaches to enforcement, including best practices. Develop guidelines/principles of enforcement that will enable agencies to work together most effectively.
- Institutionalise enforcement mechanisms together with all regulators involved in the enforcement of consumer protection laws as consumer issues cut across many administrative jurisdictions.

iii. Information

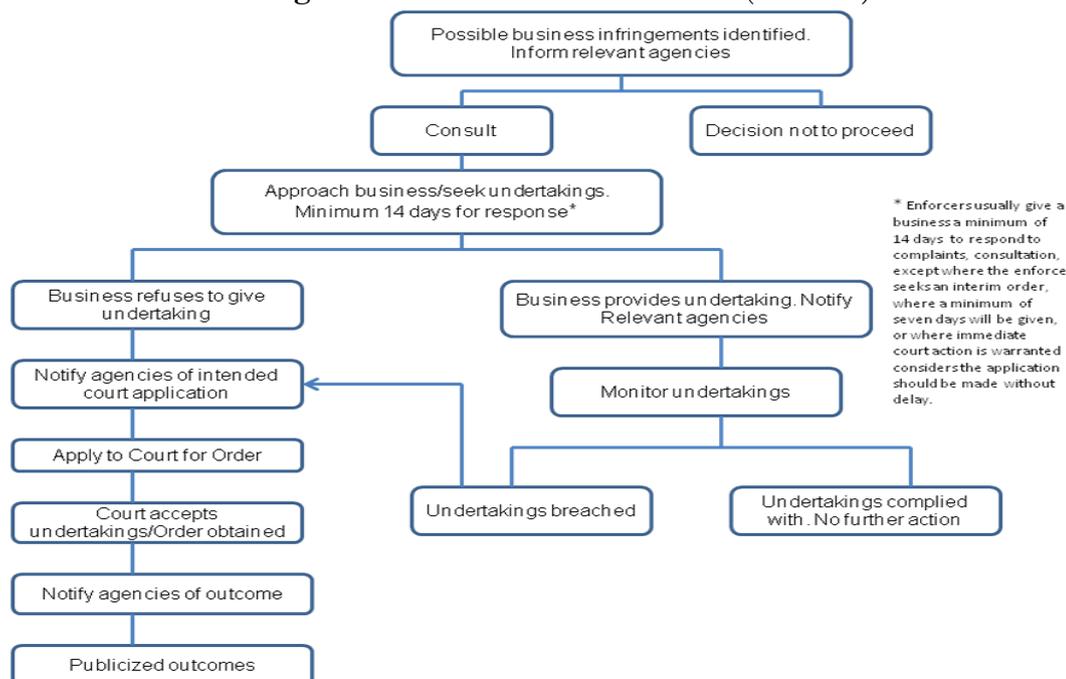
- Set up a regional database of enforcement cases to identify legislative and policy gaps, trends in non-compliance of laws, weaknesses in enforcement and redress matters.
- Publish advisory materials on enforcement for business and consumer organisations.
- Develop a Policy on Publicity for Enforcement actions. Accurate and balanced information on consumer cases are important to be put into the public domain for public accountability. Such information will deter other businesses from engaging in unethical practices, will warn consumers about business practices that may be

harmful to them, increase consumer awareness of their rights, facilitate complaints handling and educate markets.

- Publish a compliance and enforcement strategy and policy based on the Good Practice Enforcement Model.

iv. Ethics

- Launch a regional programme to establish Ethical Business Councils in key industries providing consumer goods and services. This council, represented by government, business and consumer groups, will develop ethical business parameters, service standards and redress systems based on the principles of fair trade, good corporate governance and justice for consumers.

Figure 5.7: Procedures for Enforcers (A Model)**Outputs:**

1. An ASEAN study on the impact of decentralisation policies on the enforcement of consumer laws.
2. An ASEAN training institute for enforcement officials in consumer protection.
3. Best Practice Enforcement Blue Print developed in all AMSs by 2015.
4. A national network of enforcement partners, including local authorities in all AMSs.
5. Joint working groups for enforcement of consumer protection regulations in the ASEAN region.

Best Practices

Several countries have developed consumer protection enforcement systems that can serve as models of best practices:

1. EU Consumer Protection Cooperation Network.
2. National authorities responsible for enforcement of consumer protection laws across the European Union assist each other in information exchange and investigation of possible breaches of consumer law to protect the collective interest of consumers. The legal basis for the network is EC Regulation 2006/2004 that establishes cooperation between national authorities responsible for the enforcement of consumer protection laws. More details are available from the EC Regulation on Consumer Protection Cooperation.
3. Good Practice Enforcement Model of Australia.
4. Australian Competition and Consumer Commission.

5. OECD report Best Practices in Consumer Policy: Report on the Effectiveness of Enforcement Regimes. The report compares a number of models for national systems of regulation. The emphasis of the report is on the relative cost effectiveness of the systems in the 18 enforcement regimes reviewed in achieving a high degree of compliance.

5.A.5 REDRESS MECHANISMS

High Priority

Short to Long Term

Rationale:

The right to redress means the right to a settlement of just claims, covering not only economic but also social and political damages. Consumers have adequate redress if they can require a trader to compensate a loss they have suffered and which was caused by a breach of law by the trader.

Under the UN Guidelines for Consumer Protection, the following are the objectives that enable consumers to obtain redress:

- Governments should establish or maintain legal and administrative measures to enable consumers or, as appropriate, relevant organisations, to obtain redress through formal or informal procedures that are expeditious, fair, inexpensive and accessible. In particular, such procedures should take into account the needs of low-income consumers;
- Government should encourage all enterprises to resolve consumer disputes in a fair, expeditious and informal manner, and to establish voluntary mechanisms, including advisory services and informal complaints procedures, which can provide assistance to consumers; and
- Information on the existing redress mechanism and procedures and redress availed should be made available to consumers.

While the UN Guidelines give a good basic framework for consumer protection, the potential for harm to consumers increases in borderless markets, including growing on-line transactions. A mix of policy tools should therefore be used to respond to the new realities.

The complaints identified by stakeholders in the GS relate to quality of products and services, pricing and misleading advertisements, as discussed in Chapter 3 (Situational Analysis of Consumer Protection in ASEAN). New violations of consumer rules like hidden charges, overbilling, misleading advertising on websites and failure to provide mandatory information on financial products need to be addressed. Some of these illegal practices, if they occur to a large number of consumers, can cause considerable losses for consumers, encourage unfair competition and distort markets.

In borderless markets, collective redress can serve as a mechanism for seeking redress when multiple consumers are harmed by the same or similar practice of a trader, e.g. regularly

overcharging customers. Consumer organisations could bring a case to court on behalf of a group of consumers. In the EU, 76% of consumers would be more willing to defend their rights in court if they could join together with other consumers. (EU Green Paper on Consumer Collective Redress, 2008)

Consumers may seek redress either in court or out of court, for example, through mediation or arbitration organised by business organisations or government.

For consumer grievance redress systems to be effective, good complaints handling mechanisms are very important. Within AMSs, aggrieved consumers can seek recourse to various redress mechanisms provided by legal and administrative measures (See Chapter 2). However, they need to be enhanced, such as through the establishment of Consumer Tribunals and more effective self-regulatory mechanisms.

Strategy:

Build a highly responsive, speedy and success-oriented consumer redress system in order to create a dignified, consumer-friendly, enabling environment supported by a punitive system to deter consumer-related offences and injuries.

Recommendations:

Medium to Long Term

1. Consumer protection legislation, e.g. the Principal Consumer Protection Act, need to provide effective and timely redress for consumer grievances.
2. With economic integration, the redress mechanisms in ASEAN must be based on the principles of integrity, transparency, accountability and justice for consumers, including tourists.
3. Amend consumer protection legislation to include compensatory collective redress.
4. Develop multiple channels of redress, such as court action, quasi-judicial action, alternative dispute resolution, media channels.
5. Improve access to redress mechanisms for consumers like the poor in rural areas, who may not pursue their consumer grievances because of the cost and lack of access to avenues for consumer dispute resolution.
6. Establish alternative dispute resolution mechanisms. The AMSs should study alternative means of redress other than redress through ordinary judicial proceedings. Develop consensual procedures, guidelines and principles that will give confidence to consumers and businesses to settle disputes.

Actions:

1. Consultation

- Undertake an ASEAN level consultation on redress in the context of the development of an ASEAN Economic Community by 2014.

2. Research

- AMSs should undertake a study of redress mechanisms available in their countries on the basis of performance, effectiveness, operating processes and procedures. The study should also focus on access, fairness, accountability and independence of redress schemes.

3. Legislation

- Establish through legislation Consumer Claims Tribunals for resolving consumer disputes. Tribunals which should provide cheap, accessible, simple and flexible remedies to consumers.

4. Redress Mechanisms

- Based on the above study of national redress mechanisms, establish a redress system that will respond to consumer grievances in order to enhance consumer confidence in the market.
- Develop models of alternative dispute resolution, e.g. Ombudsmen schemes.
- Evolve a set of criteria to assess the effectiveness of redress mechanisms e.g. access, cost, procedure, evidence, comprehensiveness, well-advertised.
- Establish a redress mechanism for the growing number of on-line transactions.

5. Complaints Handling

- Provide free legal aid through legislation or other means to ensure consumers who cannot afford legal services have access to redress for their grievances.
- Create a model framework for complaints handling to ensure that consumer redress reaches all levels of society.
- Harmonise methodology of classifying and reporting consumer complaints. All stakeholders involved in complaints handling such as public authorities, regulators, consumer organisations and business should contribute to this exercise.
- Promote the adoption of the international standard on complaint handling – ISO10002 (Customer satisfaction - Guidelines for complaints handling in organisations) among AMSs.
- Ensure that complaints mechanisms are functionally available. No lengthy wait time, no complex messages.
- A generic model for complaints handling is presented in Figure 5.8 below.

6. Information

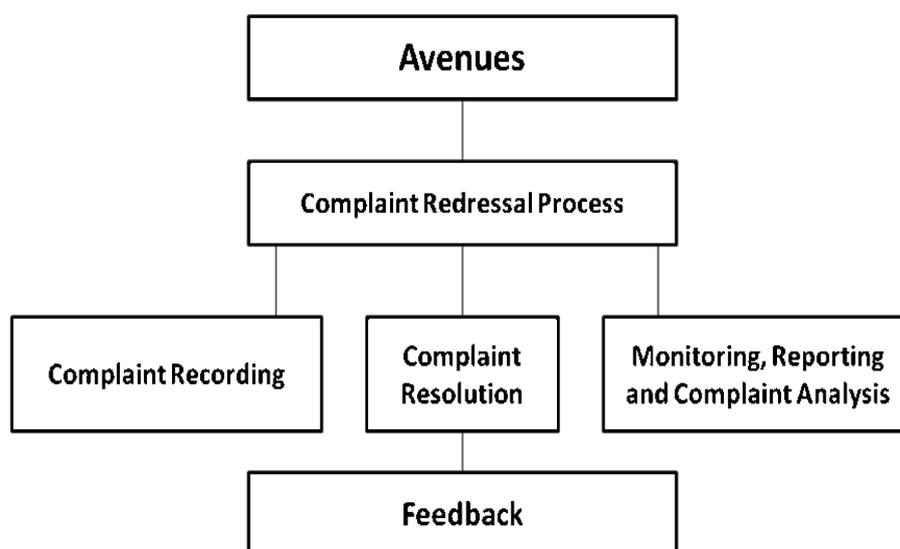
- Publish a directory of redress mechanisms of all forms available in a country on options, access, etc.

- Establish a central database for complaints handling to enable regulators and policy makers to assess gaps in the process of complaints handling and redress, trends in complaints as well as best practices in complaints handling and redress.
- Use media as partners to generate awareness of complaints.

Outputs:

- A directory of redress avenues on consumer protection agency websites.
- A central database for complaints handling to enable regulators and policy makers to assess gaps in the process of complaints handling and redress, trends in complaints as well as best practices in complaints handling and redress.
- A Consumer Legal Action Fund in all AMSs (National).

Figure 5.8: Complaints Handling Process



Best Practices:

The following organisations offer a variety of best practice models for consumer redress:

1.	Community Mediation Centres Singapore	http://www.mediation.com.sg/
2.	Australian Competition and Consumer Commission (ACCC)	http://www.accc.gov.au/content/index.phtml/itemId/142
3.	Consumers Association of Singapore (CASE)	http://www.case.org.sg/
4.	National Consumer Complaints Centre (NCCC), Malaysia	http://www.nccc.org.my/v2/

5.	Consumers Association of Penang	http://www.consumer.org.my/
6.	Environmental Dispute Commission, Japan	http://www.soumu.go.jp/kouchoi/english/index.html
7.	European Consumer Centres' Network	http://www.ukecc.net/sub.asp?id=165
8.	Financial Ombudsman Service	http://www.financial-ombudsman.org.uk/contact/index.html
9.	Health Complaints Commissioner, Tasmania	http://www.healthcomplaints.tas.gov.au/
10.	National Environment Tribunal (NET)	http://www.nema.go.ke/index.php?option=com_content&task=view&id=142&Itemid=120
11.	The Communications and Multimedia Consumer Forum of Malaysia (CFM)	http://www.cfm.org.my/
12.	National Consumer Disputes Redressal Commission, India (NCDRC)	http://ncdrc.nic.in/
13.	Financial Mediation Bureau Malaysia (FMB)	http://www.bnm.gov.my/index.php?ch=231
14.	Consumer Disputes Committee, Norway	http://baseswiki.org/en/Consumer_Disputes_Committee_Norway http://www.forbrukertvistutvalget.no/xp/pub/hoved/english/489330
15.	The Consumer Ombudsman, Norway	http://www.forbrukerombudet.no/english
16.	US Environmental Protection Policy	http://www.epa.gov/compliance/nepa/
17.	Food Safety Authority of Ireland	http://www.fsai.ie/
18.	Product Safety Australia	http://www.productsafety.gov.au
19.	Product Safety Recalls Australia	http://www.recalls.gov.au
20.	Consumer Policy in Europe	http://www.eubusiness.com/topics/consumer/consumer-policy-in-the-european-union

5.A.6 FOCUS AREAS FOR THE SELECTED SIX CORE CONSUMER AREAS

High Priority

Short to Long Term

For the purpose of the ASEAN survey for capacity building in consumer protection in the region, six priority areas were identified to determine the gaps in compliance, information, best practices and areas for strengthening implementation mechanisms. The strategies, recommendations and action plans for these core areas are formulated within the framework of the UN Consumer Protection Guidelines.

The core areas, in order of priority, are:

1. Safety and Labelling of Products and Services
2. Consumer Credit and Banking
3. Phone and Internet Services and E-Commerce
4. Healthcare Services
5. Safe and Healthy Environment
6. Professional Services (Medical and Legal)

5.A.6.1. Safety and Labelling of Products and Services

Rationale:

Consumers have the right to purchase goods and services that are safe and of good quality. Violations of consumer safety have social and economic consequences. When consumer safety is threatened, the costs increase in all forms of insurance. Liability claims too can be astronomical. The loss of lives, physical and intellectual disability caused by ignoring consumer safety has social and economic impacts on families, communities and the nation.

The safety of consumers in ASEAN will depend on the support and participation of consumer organisations in the continuous promotion of better standards of products and services. It has been observed that countries with vibrant consumer groups have the highest standards of consumer protection.

The United Nations Guidelines for Consumer Protection 1985 (Expanded in 1999)

The UN Guidelines clearly mention the right to safety as one of the inalienable rights of the consumer. The Guidelines provide a framework for Governments, particularly those of developing countries, to use in elaborating and strengthening consumer protection policies and legislation. They also intend to encourage international co-operation in this field.

The right to safety is one of the inalienable rights of consumers. Government policies on safety are enshrined in most Constitutions. Standards form the reference point from which the totality of characteristics of a product or service is established.

Provisions under the UN Guidelines

The following provisions are mentioned in the UN Guidelines with respect to the right to safety:

- Food safety measures, including safety criteria, food standards and dietary requirements, effective monitoring, inspection and evaluation mechanisms;
- Food standards of FAO, WHO CODEX Alimentarius or those of generally international food standards;
- Measures and standards to ensure safety and quality of goods and services;
- Facilities for testing and certification of essential goods and services; and
- Policies to ensure that manufacturers compensate for defective or hazardous products.

Strategy:

Make the safety of products and services a priority agenda for consumer protection through establishing policy frameworks with the highest standards and to provide for surveillance of consumer products and services to identify risks and injuries.

Create a general duty of safety.

Recommendations:

- A comprehensive product and services safety policy both at the levels of ASEAN as well as at national levels in AMSs. The aim of the policy should be to produce a common product safety regime throughout ASEAN as consumers travel for tourism, work and business and purchase goods and services across borders. In the development of this policy, consultations must be held with all stakeholder representatives, including consumer organisations and technical experts.
- Independent and accredited consumer product testing facilities.
- Consumer education and empowerment programme in relation to product safety through information campaigns on products, including in cross-border transactions.

The product safety policy will provide the direction for the various agencies involved in the formulation of standards and rules, their enforcement and remedial measures. The product safety policy should adopt the highest safety standards such as through ISO certification.

Actions:

Legislation

Short to Medium term

1. Review national safety standards towards international standards for products and services.
2. Harmonise product safety standards of goods and services by 2013 in Indonesia, Malaysia, Philippines, Singapore, Thailand and Vietnam.
3. Harmonise product safety standards of goods and services by 2015 in the Subgroup.

Consumer laws should provide for product recalls. Create product recall mechanisms that would allow the relevant authorities to order a manufacturer to recall goods or halt a service. The law should require any manufacturer who recalls goods for safety reasons to notify the relevant authorities of the recall.

Medium to long term

4. Establish procedures for the notification to authorities by consumers of allegedly hazardous goods and services, of enabling bans, declaring mandatory standards and imposing a general duty of safety.
5. Enact a product liability act to provide for strict liability where such an act is not in place. Product liability should be included in the Principal Consumer Protection Act.

Infrastructure

Short to Medium term

1. Establish a National Commission on Consumer Safety in all AMSs, modelled along effective and globally recognised regulatory authorities for product safety such as the Consumer Product Safety Commission of the US.
2. Establish product testing facilities in each AMS, and an ASEAN regional facility with additional responsibilities for collecting product and service injury data and dissemination of information on unsafe goods and services, through resource-sharing.

Such a commission would also be a source of data and reports on consumer safety, including product safety, in addition to investigating violations of consumer safety. Recognising the existing standards institutions in all AMSs, efforts should be made to expand these institutions to achieve a full quality infrastructure embracing standardisation, standard development, standard information, metrology, quality assurance/ conformity assessment, testing, inspection, product certification, management systems certification (ISO 9000/14000/22000/27001/OHSMS,etc.), regulation and enforcement and accreditation. Adequate financial resources should be allocated for the effective implementation of the necessary facility.

Information

Short to Medium term

1. Develop in each AMS an information service on product safety and service quality to alert consumers about potential product hazards and educate users about best practices concerning services. The system should include the sharing of experiences from different countries. (See section on Functions of Research Facility).
2. Establish a centralised database on product and service-related injuries and deaths. A monitoring agency should be set up for this purpose.

Medium to long term

3. Establish procedures to collect and disseminate information on particular goods and
4. Services as being unsafe.

Research

Short to Medium term

1. Promote independent comparative consumer product testing on a broad range of popular products like washing machines and mobile phones. Publicise test results in consumer magazines and websites in AMSs. Link with international consumer research and testing and the European consumer organisation (BEUC).

Human Resources

Short to Medium term

1. Develop the capacity of AMSs to undertake marketplace monitoring of goods and services in compliance with the relevant laws, regulations, ordinances, decrees and prakas.
2. Establish a working group of national technical product/services safety

Outputs:

National

- Product safety standards of goods and services harmonised by 2013 in IMPSTV.
- Procedures established for the notification to authorities by consumers of allegedly hazardous goods and services by 2013.

Subgroup

- Product safety standards of goods and services harmonised by 2015 in BCLM.

Regional

- National Data Centres on Consumer Injuries including cost of injuries. Regional sharing of injury information caused by products.
- Regional product safety testing facilities through resource-sharing by 2015.

Best Practices

- The U.S. Consumer Product Safety Commission is charged with protecting the public from unreasonable risks of serious injury or death from thousands of types of consumer products under the agency's jurisdiction. The CPSC is committed to protecting consumers and families from products that pose a fire, electrical, chemical, or mechanical hazard or can injure children. The CPSC's work to ensure the safety of consumer products - such as toys, cribs, power tools, cigarette lighters, and household chemicals - contributed significantly to the 30% decline in the rate of deaths and injuries associated with consumer products over the past 30 years.
- EU minimum safety standards in hotels which serves as a basis for common safety rules throughout the EU.
- Japanese Standards Association, Japanese Industrial Standards, and the Consumer Affairs Council are responsible for the development of standards. However, most

standards in Japan are voluntary. AMSs should strive to encourage voluntary standards as a best practice.

- Australian Competition & Consumer Commission for enforcement of the product safety provisions of the Trade Practices Act.

5.A.6.1.1. Food Safety

Rationale:

As food is the most basic of consumer needs, special attention is being made in this Roadmap to the various dimensions of this issue. The approaches taken here are applicable to other sectors such as drugs and cosmetics.

The growing consumer concerns over food production, in particular, the intensification of food production and globalisation of food marketing has increased. ASEAN should strive to ensure the safety of the region's food supply particularly in the context of rising food prices.

Concerns over hazards in food, like pesticides and chemicals, need to be addressed. Food safety is managed in different ways across ASEAN. AMSs protect their citizens from unsafe foods in numerous ways. Good food standards are one of the keys to ensure that foods sold in the marketplace are safe and of good quality.

In addition to standards, mechanisms for monitoring, testing and enforcement must be embedded in national regulatory systems.

Strategy:

Strengthen food safety levels in ASEAN by engaging the food sector in appropriate policies that encompass enforcement, risk management decisions, risk communications and establishing centres of excellence.

Recommendations:

- Quality and safe production and consumption of food supply in AMSs by improving the regulatory environment and involving all stakeholders.
- Protection of public health, safety and the consumer interest in food issues.
- Mandatory consumer representation in national, regional and international committees involved in setting food safety standards.
- Effective controls and monitoring of the food trade.
- An independent national food safety authority to safeguard consumer interest.
- A competent national CODEX committee to exert influence on CODEX decisions and ensure consumer representation.
- Sustainable food security for ASEAN by adopting appropriate policies and technologies.

Actions:**Short to Medium Term**

1. Prioritise a safe food policy by ensuring that food consumed in ASEAN is free of contaminants, including chemicals, pesticides.
2. Produce regional and national consumer education programmes on food safety and security, including guidelines for food preparation for food handlers, nutritional information and dietary guidelines.
3. Conduct regional programmes for capacity building of regulators and officials involved in establishing and enforcing food safety standards nationally and regionally.
4. Establish in each AMS a national food safety authority, which should be a statutory, independent and science-based institution by 2015.

Long Term

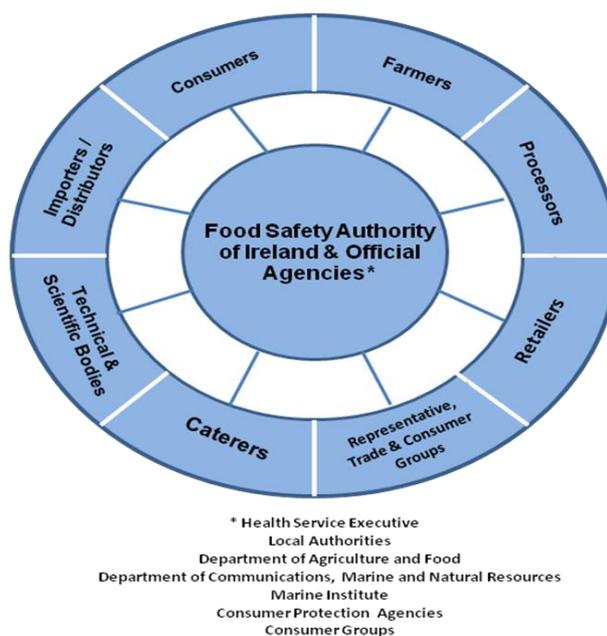
5. Build on the Strategic Plan of Action on Food Security in the ASEAN Region 2009-2013.
6. Implement mechanisms for compliance with the ISO and CODEX standards for food safety management systems.
7. Make available information on food safety and quality to consumers through a variety of media including publications, television, radio and on-line channels.

Output:

A National Food Safety Authority, which should be statutory, independent and science-based, established in all AMSs by 2015.

Best Practices:

- The Food Safety Authority of Ireland (FSAI) ensures that food produced, distributed or marketed in Ireland meets the highest standards of food safety and hygiene. The FSAI aims to ensure that food complies with legal requirements, or where appropriate, with recognised codes of good practice. (Figure 5.9)
- The FSAI and relevant authorities engage with multiple stakeholders including food producers, suppliers and consumers to attain the standards of food safety prescribed under Irish law.

Figure 5.9: Food Safety Authority of Ireland

5.A.6.2 Consumer Credit and Banking

Rationale:

Consumer credit has a very significant impact on consumers' lives. It is therefore important that consumers make well-informed decisions and feel confident they are adequately protected if something goes wrong.

In a paper entitled "Access to Financial Services: A Review of the Issues and Public Policy Objectives" Stijn Claessens, a World Bank senior adviser, notes:

"Finance matters for economic development. There is considerable evidence today for a strong causal relationship between the depth of the financial system (as measured, for example, by the supply of private credit or stock market capitalisation) on the one hand and investment, growth, poverty, total factor productivity, and similar indicators on the other hand. Indeed, many empirical cross-country tests have shown initial financial development to be one of the few robust determinants of a country's subsequent growth. Finance also matters for the well-being of people beyond overall economic growth. Finance can help individuals smooth their income, insure against risks, and broaden investment opportunities. Finance can be particularly important for the poor. Recent evidence has shown that a more developed financial system can reduce poverty and income inequality."

However, consumer credit has become increasingly complex and difficult to understand. Consumers need clear and comprehensive information on the many competing products to assist them to make decisions before they buy a financial product.

Government consumer protection policies should take into account and advance the needs of poor consumers for access to essential credit. For example, a 2009 study by the Consultative Group to Assist the Poor (CGAP), housed in the World Bank, found that “microcredit is the dominant financial service used by Cambodia’s rural poor,” involving one million borrowers.

Access to credit for the poor through the conventional banking system is difficult, which is why there is a demand for microcredit, although borrowers have to pay very high interest rates. This leads to spiralling microfinance debt for the poor consumers.

Poor people save, borrow, and make payments throughout their lives. But to use these services to their full potential — to protect their families and improve their lives — they need well-suited products delivered responsibly. Bringing this about requires attention to human and institutional issues, such as quality of access, affordability of products, provider sustainability, and outreach to the most excluded populations. A definition and vision with clear and meaningful objectives in all these areas can inspire leaders to take a comprehensive path towards full financial inclusion.

The Centre for Financial Inclusion (www.centerforfinancialinclusion.org/) proposes a simple yet multi-dimensional definition of financial inclusion:

Full financial inclusion is a state in which all people who can use them have access to a full suite of quality financial services, provided at affordable prices, in a convenient manner, and with dignity for the clients. Financial services are delivered by a range of providers, most of them private, and reach everyone who can use them, including disabled, poor, rural, and other excluded populations.

Consumer protection is an essential feature for a smoothly functioning ASEAN market for consumer credit. Some of the challenges or problems faced by consumers in the AMSs related to credit and loans are high interest rates, unethical debt collection practices or repossession methods, including harassment and threats, unfair terms of contracts, aggressive marketing of credit facilities and inadequate financial knowledge and education among consumers.

An important goal of consumer credit and debt law has been to protect lower income and poor consumers and to redistribute power and resources generally from creditors to consumers. Consumer credit covers hire purchase, instalment sales, credit cards, debt adjustment, debt counselling, debt collecting, personal loans, and consumer leases.

The basic aims of consumer credit legislation are transparency, inhibition of exploitation, fair competition, consumer protection and helping consumers to know their rights. The

main provisions of consumer credit legislation are licensing of credit providers, disclosure of requirements, e.g. annual percentage rate, rights to cancellation and enforcement, restrictions on extortionate credit, cooling off and cancellation rights, imposed liability on credit providers for the default of suppliers, complaint handling, and mandatory documentation.

Given the wide choice and complexity of the credit market in a digitalised market place, a majority of consumers find it difficult to make informed decisions. For example, branchless banking and mobile could lead to a range of new abuses, risks and concerns for consumers. Policy and regulatory responses for the protection of consumers who use these innovations are needed as mobile payments and remittances are growing rapidly in AMSs.

Products are even sold in busy shopping centres by inexperienced staff and this may affect consumer decisions. Consumers, on their part, value the flexibility of credit cards and their use has risen dramatically in recent years.

The digital revolution has transformed how consumers buy goods and services. Increasingly, consumers are choosing internet shopping, downloading music and videos and getting comparative information online. Current policies must be reviewed to deal with these new consumer markets.

Strategy:

Make consumer credit in the banking and non-banking sectors work better for consumers, by providing for financial inclusion, reducing unsustainable borrowings and ensuring that businesses treat customers fairly while aiming to be profitable.

Recommendations:

1. Consumer credit regulations, such as a ban on unsolicited credit card cheques, providing adequate information on products, and high charges.
2. Reliable Credit information system, based on the principles of fairness and equity in collection.
3. Financial literacy programmes to address over-indebtedness among consumers and households.

Actions:

1. Legislation

Short to Medium Term

1. Study the impact of the rising costs of essential goods, including healthcare and food on household indebtedness.
2. Develop rules on new digital products- such as mobile money- to ensure that the core principles of consumer protection apply.
3. Strengthen compliance with guidelines for debt-collection.

Medium to Long Term

4. Enact a National Consumer Credit Protection Act which will regulate all financial products and promote transparency in pricing of financial products.
5. Legislate to ban the practice of offering unsolicited credit card cheques.
6. Review pawn broking laws to ensure fairer access to credit for the poor and for fair redemption rules.

2. Education

Short Term

1. Carry out a focus group study with stakeholders on the needs of consumers in financial products and services for the development of consumer education material.
2. Produce financial literacy tool kits, such as guides on household budgeting, managing debt, etc.

3. Research

Short to Medium Term

1. Study the development of a single market in consumer credit based on standard levels of consumer protection across ASEAN. The study will cover areas such as advertisements of credit products, provision of consumer information, rights to withdrawal, termination of agreements, early repayment and creditors' liability for defective goods and services.

Outputs:

1. National Consumer Credit Protection Act in AMSs by 2013.
2. Rules on new digital products by 2013.
3. Financial literacy tool kits.

Best Practices:

1. The Australian Securities and Investments Commission (ASIC) and the National Consumer Credit Protection Act
2. EU Consumer Credit Directive
3. Bank Negara Malaysia's Financial Mediation Bureau
4. Islamic pawn broking: Brunei Darussalam and Bank Rakyat Malaysia

5.A.6.3 Phone & Internet Services and E-Commerce

Rationale:

"The balance between knowledge and resources has shifted so far towards the former that knowledge has become perhaps the most important factor determining the standard of living... Today's most technologically advanced economies are truly knowledge-based." (The World Bank)

Communication is a basic consumer right. The convergence of telecommunication, information, broadcasting and publishing technologies has greatly enriched communication choices available to consumers. The World Trade Organisation agreement to liberalise trade in basic telecommunication services which came into force in 1998 has amplified the

worldwide trend to liberalise markets for telecommunication and information technology goods and services.

Developments in information and communication technologies are contributing to the formation of a new kind of society where relationships, businesses and lifestyles are being redefined. Consumers are being exposed to many challenges which require the development of new approaches to consumer protection.

AMSs have introduced major initiatives to provide modern, sophisticated and high quality communications infrastructure and services which have facilitated the growth of knowledge-based economies. A hybrid of information and communication technologies is the emergence of mobile money. The cell phone serves as a bank account, debit card etc. There are economy and policy issues of mobile money that need to be addressed particularly from the perspective of the emerging economies of ASEAN.

Some of the challenges faced by consumers in AMSs are frequent disruption in internet connection, expensive service charges, security issues of the internet (unsafe connections), low information technology system especially in rural areas, misleading advertisements, substandard phones and inefficient telephony services and internet services.

As access to phone and internet services are essential for modern consumer and economic activity, it is important to ensure that these services are fairly priced and of high quality.

Strategy:

Increase competition and strengthen regulatory enforcement mechanisms in the ICT sectors in order to ensure lower prices and better services for consumers.

Recommendations:

1. National Telecommunications Policies of all AMSs.
2. Enabling environment to facilitate healthy competition in the ICT sector.
3. Review and reform all relevant laws, regulations and codes of conduct that cover the ICT sector.
4. Effective and speedy complaints handling for phone and internet services.

Actions:

Short to Medium Term

1. Develop consumer education materials on ICT on such issues as information disclosure, faulty goods and avenues for complaints and redress.
2. Undertake periodic reviews of voluntary codes governing the communications industry to assess their scope, processes, redress mechanisms and responsiveness. The review reports should be publicised to create consumer awareness and to encourage monitoring and enforcement of voluntary codes.

Medium to Long Term

3. Establish a Consumer Forum and a Content Forum for the communications and multimedia industry to improve consumer services. These forums will be funded by government.
4. Set up a task force, including consumer representatives, to review the national telecommunications policies, laws and regulations governing the ICT sector, to ensure competition, and with a view to improving the regulators' and service providers' responsiveness to consumer concerns.
5. Undertake programmes to bridge the digital divide by targeting disadvantaged groups, rural constituencies, senior citizens and other segments of society that are excluded from the benefits of the ICT revolution.

5.A.6.3a. E-Commerce

Rationale:

Electronic commerce offers consumers a number of benefits, including convenience, more choice, more product information, and lower costs. By extending access to a range of goods and services normally only available in urban areas, it can also provide important benefits to those who live in rural, remote and regional areas.

The GS shows that electronic commerce is becoming more common and the number of consumers using the Internet continues to increase in ASEAN.

One of the principal reasons consumers purchase online is to gain access to goods and services that are not physically close to them. Provincial and national boundaries, therefore, become irrelevant as consumers seek to acquire the goods and services they need in an online environment.

How consumers protect themselves and how governments adapt their consumer protection policies and laws to electronic commerce present a number of challenges. Traditionally, provincial governments have tailored their consumer protection laws to transactions where both the seller and the buyer are located within the same province. This approach, however, may not be effective for transactions involving parties from more than one province or more than one country.

Strategy:

Enable consumers to benefit from the growth of electronic commerce in ASEAN through effective consumer protection measures in the sector.

Recommendations

1. An ASEAN policy framework for Consumer Protection in Electronic Commerce.
2. Redress Mechanisms through legislation (or self-regulatory codes of practice).
3. Relevant laws to address consumer concerns about security and confidentiality.

Actions

Short to Medium Term

1. Establish a Consumer Protection Task Force for e-commerce .
2. Develop an ASEAN policy framework for Consumer Protection in electronic commerce to address cross-border concerns.

The Policy Framework will outline the following principles to assist ASEAN in achieving the objectives:

- Functional equivalence and technology neutrality;
- Promote the interests of ASEAN business;
- Recognise roles of industry and government; and
- Obtain international cooperation.
- Provide quick, low-cost dispute resolution procedures that are favoured by both consumers and business.
- Include alternative dispute resolution and redress for cross-border complaints – Consumers should have access to fair, timely and affordable alternative dispute resolution mechanisms.

Outputs:

1. An ASEAN policy framework for Consumer Protection in Electronic Commerce.
2. A training model for consumer protection covering cross-border ICT issues at the regional level.
3. Consumer education tools and programmes on ICT to generate awareness among different categories of consumers especially the youth.
4. Codes of conduct for various sectors of E-Commerce (e.g. for billing practices and misleading advertising, predatory marketing).

Best Practices

1. The Australian government has developed together with industry a best practice model to provide guidance to industry and consumers on the elements of an effective self-regulatory framework for electronic commerce entitled *Building Consumer Sovereignty in Electronic Commerce: A Best Practice Model*. The government has also developed a Best Practice Model kit that allows businesses to test their websites against the Best Practice Model.
2. *Principles of Consumer Protection for Electronic Commerce: A Canadian Framework* is guided by the following concepts: equivalent protection, harmonization and international consistency.
3. The Organisation for Economic Cooperation and Development (OECD) has since 2000 adopted guidelines for Consumer Protection in the Context of Electronic Commerce.

5.A.6.4 Healthcare

Rationale:

Health is a fundamental right. Every consumer has the right to receive the healthcare he or she needs. With growing affluence in the ASEAN region, there are greater demands on

healthcare services. Many governments face difficulties in coping with the demand and are relying on the private sector to play a complementary, or even a primary role in providing for the healthcare needs of the people.

Consumers in AMSs have a choice of accessing both public and private health care. In the GS, some of the concerns related to healthcare in the public and private sectors were about the need to enhance the delivery of services, escalating healthcare costs and the need for more medical facilities in some of the AMSs. Another related issue is the increasing prices of essential medicines. Some of these problems spring from lapses in policy planning for healthcare services, resulting in the shortages of manpower and resources.

Among the health challenges facing ASEAN governments today is the unpredictable increase in diseases such as HIV/AIDS, Avian flu and tuberculosis that can bankrupt social systems. Two other concerns are lifestyle-related diseases associated with the epidemic increase in obesity, including among children, and rising tobacco use. This will necessitate the allocation of more resources to ensure that the health services can undertake the necessary preparations to deal with the increased demand for containment and treatment of these diseases.

Strategy:

Facilitate the development of a healthcare system in all AMSs that is affordable, accessible and available and create an environment that encourages consumers to take responsibility for their own health by adopting appropriate lifestyles.

Recommendations:

- Inclusion of consumer protection in national health policies.
- Equal protection of all consumers by public and private healthcare systems.
- Transparency in investigations into violations related to medical ethics, including health tourism.

The overall equity and socio economic agenda for governments must guarantee the access, affordability and availability of healthcare to the poor who are not covered by government subsidised or employer-based healthcare schemes. Regional effort is needed to promote joint consumer education on healthcare and healthy lifestyles. The antidote for unhealthy lifestyles is consumer education. The critical area of consumer education on health-related issues and the need for healthy lifestyles needs to be addressed adequately within the larger framework of consumer education.

Actions:

Short to Medium Term

1. Identify critical consumer needs for a health policy.

2. Introduce or reform regulations to safeguard consumer concerns such as quality of healthcare and treatment charges.
3. Conduct frequent regional campaigns on the risks of tobacco addiction.
4. Popularise Patients' Charters in all AMSs as a tool to promote medical ethics and consumers' health rights and responsibilities.
5. Develop consumer health education modules on the rational use of medicines, adverse drug reactions, issues related to addiction such as tobacco, psychotropic drugs, alcoholism, diet, food safety, exercise, over the counter drugs, telemedicine, environment and health, occupational safety and health, HIV/AIDS, sexually transmitted diseases and so on.

Medium to Long Term

6. Introduce legislation to control the sale of health products through direct selling.
7. Establish a national task force to monitor and enforce strictly laws and codes of conduct related to advertisements for drugs, including traditional medicines.
Consumers have frequently complained about misleading advertisements on drugs, both prescription and over-the-counter.

Outputs:

1. Consumer education materials on lifestyle diseases e.g. risks of tobacco addiction and obesity, rational use of medicines in local languages by 2013.
2. Patients Charters produced in local languages and adopted in hospitals by 2015.

Best Practices:

Different models of healthcare around the world can provide direction for ASEAN to establish a comprehensive healthcare regime that will foster a high level of healthcare delivery to the people of the region. In terms of access to healthcare, the Nordic countries have been universally acclaimed for their egalitarian quality and efficiency.

The following may provide some valuable insights on consumer protection in healthcare services:

- Patients' Charter of South Korea
- Subsidised healthcare system of Singapore
- Total quality management in Singapore's healthcare service
- Health Insurance Financing Model of Thailand
- Complementary or alternative healthcare systems of India and Indonesia

5.A.6.5. Healthy and Safe Environment

Rationale:

The occurrence of unprecedented natural disasters in 2010 reinforces the necessity of urgent action in mitigation and adaptation strategies and programmes to contain the adverse impacts of natural calamities on economic growth and the people's welfare.

Protection and care of the environment demands major changes in how people live and how communities operate. The challenge is to address the problems of both over-consumption and under-consumption. The lifestyles of those who over-consume need to be transformed into sustainable forms. The quality of life of under-consumers or the poor must be enhanced to bring them benefits of development.

Challenges

Among the main environmental challenges in the AMSs, as reported in the GS, are poor water services, pollution, lack of resources to deal with climate change and lack of enforcement on environment-related laws. Unsustainable industrialisation and consumption are accelerating climate change, deforestation, pollution, water depletion and desertification, putting economies and the people under increasing stress. Consumers are increasingly beginning to recognise that they, together with government and industry, have a role to play in ensuring a healthy and safe environment. The effects of climate change, for example, on food security, temperature and floods which often result in higher insurance premiums, are only just being grasped.

Economic progress, in its current form, threatens the ecosystems on which it depends. Sustainability is the way forward, which the ASEAN Working Group on Environmentally Sustainable Cities (AWGESC) and the ASEAN Working Group on Coastal and Marine Environment (AWGCME) are pursuing.

UN Guidelines

The UN Guidelines for Consumer Protection, 1999 (revised), have defined shared responsibilities for sustainable consumption that all members and organisations in society with informed consumers, the government, business, labour organisations, consumer and environmental organisations, play important roles. Informed consumers have an essential role in promoting consumption that is environmentally, economically and socially sustainable and can influence producers through the effects of their choices of goods and services.

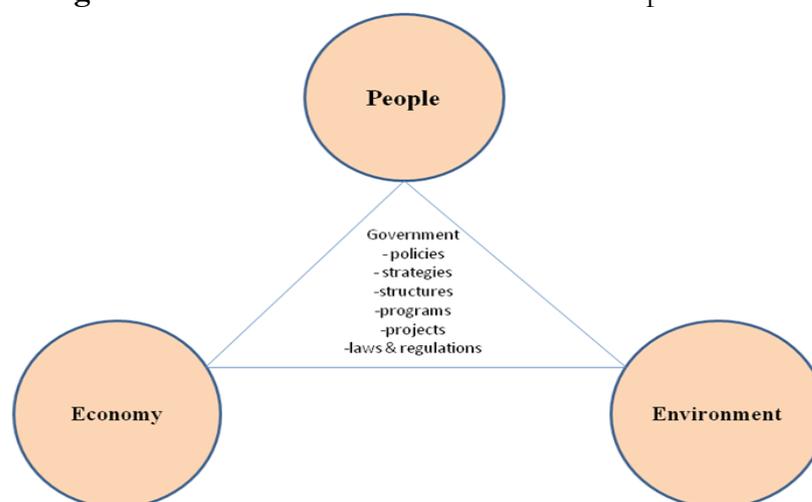
Governments should promote the development and implementation of policies for sustainable consumption and the integration of those policies with other public policies.

The Guidelines have several provisions with respect to the right to a healthy environment. Some of the provisions are:

- Adopting measures relating to environmental protection and efficient use of materials, energy and water.
- Ensuring consumer access to accurate information about the environmental impact of products and services.
- Adopting a range of economic instruments, such as, inter alia physical instruments and internalisation of environmental costs, to promote sustainable consumption, taking into

account social needs, the need for disincentives for unsustainable practices and incentives for more sustainable practices.

Figure 5.10: Framework for Sustainable Development²⁴



Strategy:

Build an ASEAN community based on the principles of sustainable development and consumption. Enable consumers to take responsibility for improving the quality of the environment by raising awareness, disseminating information and adopting environmentally friendly processes. AMSs to provide environmental leadership to achieve sustainable development for the region.

Recommendations:

1. An ASEAN regional policy based on the principles of sustainable consumption and production.
2. National policies and strategies on sustainable consumption in all AMSs.
3. Conservation of resources, energy and water use, protection of biodiversity to mitigate and adapt to climate change.
4. Integration of the AEC Blueprint for Environmental Sustainability into the ASEAN Roadmap for Consumer Protection.
5. 3R promotion to minimise resource usage and wastage and maximise environmental benefits and savings.

²⁴ Asian Manager

Actions:**Short to Medium Term**

1. Study the implications of consumption taxes in the areas of pollution, inefficient use of energy and loss of biodiversity.
2. Organise training for consumer protection officials in all AMSs on sustainable consumption.
3. Evaluate existing economic policies and plans to identify trajectories that promote un-sustainability.
4. Regulate advertising and marketing of environmental claims on for consumer goods and services to ensure that they are legal, decent and truthful.
5. Integrate environmental protection based on the principles of sustainable development and consumption into all policies related to consumer protection (legislative, administrative and economic activities).
6. Harness consumer power to reduce waste through 3R (reduce-reuse-recycle) programmes and other initiatives.

Medium to Long Term

7. Review transportation policies to foster change away from a dependence on private vehicles to the encouragement of public transport and other sustainable means of mobility.
8. Review how space is organised in human settlements, particularly in urban planning.
9. ASEAN to develop region-wide consumer education programmes on sustainable consumption to address the challenges of climate change.

Outputs:

1. ASEAN Regional Policy on Sustainable Consumption and Production.
2. National policies on sustainable consumption in all AMSs.

Best Practices:

1. Finland has been recognised by the United Nations World Summit on Sustainable Development (Johannesburg 2002) for its success in achieving economic growth and environmental sustainability.

(See <http://www.ymparisto.fi/default.asp?contentid=172352&lan=en>)

2. The UN Division for Sustainable Development undertakes a broad range of programmes to enhance and upscale sustainable development and consumption models around the world. These efforts provide numerous examples of best practices that can be adopted by AMSs.

5.A.6.6. Professional Services (Legal and Medical)**Rationale:**

With an expanding ASEAN middle class, the professional services offered by medical and legal practitioners have become important for consumers. Many common transactions make use of the services of legal practitioners, for example, in drawing up contracts of sale and purchase, in settling disputes, in transferring properties and inheritances, family and domestic issues and in dealings with insurance companies.

However, many consumer protection regimes exempt professional services from regulation as they are not seen as commercial in nature. A growing majority of jurisdictions have taken the approach that some professional services may be governed by their consumer fraud acts.

Remedy

The common remedy for medical negligence cases is the civil courts. The medical and legal professions are governed by their respective codes of ethics. Nevertheless, consumers do encounter problems such as fraud, dishonest practices, breach of confidentiality, or corruption in their transactions with these professionals.

Consumers may file complaints against doctors and lawyers with the National Medical Councils or against lawyers, with the Disciplinary Boards of the legal profession. These professions are subject to the scrutiny of regulatory bodies for licensing, certifications, examination, ethical codes and promulgation of standards and discipline.

The main consumer complaints against professional services in AMSs are fraud and dishonest practices, exorbitant charges, non-itemised billing, insufficient mechanisms to notify consumers of blacklisted or unlicensed practitioners and no redress mechanisms for legal misconduct and negligence except through the court system.

The growth of tele-medicine as a channel for healthcare delivery has raised concerns over issues of privacy, security, fraud and abuse by various parties.

Strategy:

Ensure protection for consumers when they utilise professional legal and health services.

Recommendations:

1. Relevant National Consumer Protection Laws to include protection for consumers for all services including medical and legal.
2. Independent health complaints authorities.
3. Efficient and effective redress mechanisms for consumers to obtain justice in medico-legal issues.
4. Consumer representation in regulatory bodies responsible.

Actions:**Short to Medium Term**

1. Review the professional codes of conduct for the legal and medical professions to enhance consumer protection.
2. Establish legal aid centres for consumer protection cases particularly for the vulnerable in all AMSs.
3. Include consumer representation in the Ethics Committees of the Medical and Legal professions, and in regulatory bodies.
4. Develop mechanisms for the speedy redress of medical negligence.

Medium to Long Term

5. Establish a Task Force to study the inclusion of consumer protection measures for tele-medicine in codes of conduct governing the medical and legal professions. The Task Force should also examine redress mechanisms for consumer cases related to tele-medicine.

Outputs:

1. A Publication Policy for Medical and Legal Negligence/Fraud to encourage transparency and accountability.
2. Legal aid centres for consumer protection cases particularly for the vulnerable in all AMSs.

Best Practices:

1. Health complaints commissions in Australian states/territories and in New Zealand
2. EU Directives on tele-medicine
3. UK Tele-medicine Association Guidelines
4. UK General Medical Council Guidance
5. Model of legal aid centres managed by NGOs for consumer redress, such as the Legal Aid Centre of the Malaysian Bar Council

SECTION 5B

5.B.1 HUMAN RESOURCE DEVELOPMENT FOR CONSUMER PROTECTION IN ASEAN

High Priority

Short to Long Term

In order to realise the strategies, recommendations and action plans proposed in the Roadmap for Consumer Protection in ASEAN, it is essential to develop the capacity of the human resources in all the areas of consumer protection ranging from policy, legislation, institutions and programmes.

Rationale:

The development of human resources is an integral part of the larger field of human resource management. Human Resource Development involves recruiting staff, retaining them and developing their capacities on a regular basis so that they are able to cope with changing challenges of their job responsibilities and functions in a globalised and liberalised market as well as in a single economic community.

As a pool of potential recruits who have the requisite knowledge and skills in consumer protection is not readily available, recruitment of appropriate staff is challenging for most AMSs. Hence, new recruits for consumer protection work, both in government agencies as well as in non-governmental organisations, have little knowledge and skills about consumer issues. Therefore, the development of the required competencies has to be built into the job.

Retention of staff, especially at the higher levels, in government departments involved in consumer protection has its own set of challenges. These officers usually belong to a general pool of officers who move frequently from one department to another. Additionally, career prospects in these government departments (dealing with consumer protection) are usually limited, which further contributes to a high turnover of staff. While long term measures are necessary to improve the career structure of public officials involved in consumer protection work, the ongoing development of competencies is essential.

The development of human resources for enhancing consumer protection in the AMSs hinges upon the identification of the competencies required for an effective consumer protection regime. A realistic assessment of their capacity building needs is important.

Key Areas

This section will review the key areas in which consumer protection can be further strengthened and highlight the human resource implications for that purpose.

There are two key sectors in which human resource development is required:

- the public sector involving government departments and agencies including those involved in monitoring and enforcement of consumer laws
- the non-governmental organisations which are involved in consumer protection activities

These would primarily be the Consumer Protection Associations, but could also include industry based and professional associations.

HRD is essential for consumer protection for:

- Developing appropriate policies
- Improving the system of consumer information dissemination and market transparency
- Enhancing the system of legal redress for consumers
- Improving the institutional framework for consumer protection
- Ensuring adequate consumer legislation and their enforcement
- Increasing awareness about sustainable consumption and production.

Drafting laws and regulations

Human resource development is required for the drafting and reforming of consumer laws in new and emerging areas of consumer protection, and in drawing up regulations to provide guidance on implementation, enforcement and remedies under the law. Some examples of such laws and regulations are those dealing with:

- Telecommunications and internet services on issues such as billing, cyber crime, spam and malware, and protection of personal information.
- Unfair terms and conditions in contracts.
In many AMSs, suppliers take advantage of their superior power vis-à-vis consumers, often from monopolistic or oligopolistic positions, to impose unfair terms such as disclaiming all liability for faults in the product or prohibiting return of goods that have been sold or transferring risks to the consumer.
- New financial products such as mobile money.
- Environmental safety such as standards for noise, water and air quality, and equally importantly, redress for those affected by failure to comply with these standards.
- Consumer credit.

Subject matter expertise

A related aspect of human resource development for drafting laws and regulations is development of competencies in specific subject matters:

Technical Training. For example, for food and drugs, consumer protection officials would require expertise to carry out food and drug analysis. Similarly, a good grasp of quality standards such as Good Manufacturing Practices (GMP), Good Agricultural Practices (GAP), and Hazard Analysis and Critical Control Points (HACCP), would be essential for effective monitoring or enforcement of their compliance. Expertise would also be required to carry out effective border controls to prevent entry of contaminated foodstuff or those containing unacceptable levels of pesticides.

Expertise is needed in the drafting of laws and their monitoring and enforcement in information technology, internet transactions, or telecommunication services.

Hence, human resource development efforts in the AMSs should focus on enhancing technical knowledge in specialised areas of consumer protection. While the needs of each of the AMSs may vary, there are some common areas:

- food safety: including irradiation, genetically modified organisms (GMOs), food additives, use of antibiotics, hormones and pesticides
- pharmaceutical testing
- standards setting for quality and safety of products and services, e.g. toys, food

Sometimes, simple toolkits, checklists and guidelines for implementation and enforcement are required to complement the training. Hence, the development of such resources could be the focus of human resource development.

Awareness raising and formal and non-formal consumer education expertise

The AMSs have cited raising general consumer awareness as a *sine qua non* for improving the level of consumer protection. For these programmes to have optimal impact, expertise in the design and implementation of effective awareness raising programmes is necessary. For example, the radio is still an important means of reaching out to consumers especially in rural areas in AMSs. Government agencies use television programmes to educate consumers on health, hygiene and food safety, and the safe and rational use of medicines. Development of expertise in the design and effective use of radio and television programmes and web-based communications should be an important aspect of human resource development for consumer protection.

Expertise on raising consumer awareness includes the ability to develop training materials for formal and non-formal consumer education programmes, and evaluation of effectiveness of training. Human resource development in this respect could also involve the preparation of manuals, toolkits and Web-based products in local languages to promote self-learning.

Establishing and operating a consumer complaints hotline.

An important area of human resource development identified in the study is the building of capacity to establish and operate a consumer complaints hotline. This was identified as a basic mechanism for consumer redress. Often consumers are referred to multiple government agencies and authorities and do not know where to start the complaints process.

An effective one-stop consumer complaints hotline which coordinates with the relevant agencies would assist consumers to obtain redress.

Training could be provided for consumer protection officers and NGO personnel on the technical aspects of establishing and operating such a hotline and having appropriate software for tracking and managing complaints.

Supporting NGOs Involved in Consumer Protection

All AMSs recognise the positive role that non-governmental organisations play in consumer protection. There are many consumer protection needs that consumers can address themselves, if they have access to the right information and skills, and assistance from a consumer organisation. From the perspective of human resource development, public officials in governmental agencies should have the set of skills to collaborate with and to provide support for consumer protection organisations. Government officials need to understand NGO working methods for maximum synergy in the consumer interest.

In addition to providing financial support to consumer organisations, governments can draw on the knowledge of these groups. Public officials and NGO personnel would also benefit from training on how to work collaboratively with suppliers, manufacturers and professional organisations in developing industry codes of conduct and self-regulation mechanisms.

Human resource development for consumer protection is part of human resource management for the public sector. Issues and challenges in recruitment and retention of staff should be addressed for the long term. Development of human resources should be ongoing so that personnel involved in consumer protection have the skills, knowledge and attitudes to match their job requirements.

Strategy:

Governments in the AMSs should develop and adopt a comprehensive strategy designed to ensure an adequate pool of personnel who:

- are competent to draft consumer protection laws and regulations
- have sound technical expertise in areas in which consumer protection is necessary, such as in testing of food and pharmaceuticals, e-commerce, banking, standards development
- are competent to conduct awareness building and training programmes for different consumer segments, especially for those in rural areas, urban slums and children
At the same time there should be sufficient consumer protection personnel who are able to develop effective training and education modules for use in formal and non-formal education, in newly emerging aspects of consumer protection
- have the technical competence to develop and operate a consumer complaints hotline
- have the aptitude and interpersonal skills to collaborate with non-governmental, consumer protection organisations.

Recommendations

- Institution of training and education programmes for consumer protection personnel, based on a model of core competencies for consumer protection personnel.

- Establish a sound career structure for personnel in government consumer protection agencies.
- A dedicated capacity building institutions in each AMS to effectively address the growing training requirements in a range of consumer protection areas and issues.
- In-service programmes for policy makers, legislators and enforcers to continuously keep themselves informed and updated on the emerging trends on consumer protection matters.
- Budget allocation to meet training needs.

Actions

Short to Medium Term

1. National consumer protection agencies to produce consumer policy briefs on emerging issues for policy makers and legislators involved in consumer protection in all administrative jurisdictions.
2. AMSs to allocate funding in their national budgets for consumer protection agencies to meet training needs.
3. ACCP to create a registry of consumer experts from NGOs, industry and academia to support consumer protection programmes nationally and regionally.
4. ACCP to collaborate with training institutions such as the training institutions for the public sector and teacher training colleges to develop training programmes for consumer protection personnel.
5. Establish a national inter-agency coordinating committee on human resource development in consumer protection in each AMS. The committee should utilise the study for the *Roadmapping Capacity Building Needs in Consumer Protection in ASEAN* to identify the core competencies that are required for consumer protection personnel in each AMS.

Medium to Long Term

6. Public Service Commissions or agencies to review and restructure the career paths of consumer protection personnel to make consumer protection a preferred career option.

Outputs:

- Human resource development plan in place by 2013.
- Registry of consumer experts from NGOs, industry and academia to support consumer protection programmes.
- Collaboration agreements with training institutions to develop training programmes for consumer protection personnel.

Best Practices

- Study the human resource development of the Australian Competition and Consumer Commission and Australian Government Productivity Commission.
- Study the EU Directorate-General for Health and Consumers for its human resource management system.

5.B.2 INSTITUTIONAL STRUCTURES : A CONSUMER PROTECTION AGENCY

High Priority

Short to Long Term

A critical component in capacity building for consumer protection in AMSs is a dedicated consumer protection agency with authority and accountability to supervise, enforce and examine consumer protection laws. The consumer protection agency will be empowered to make rules, investigate violations of laws, take actions in the consumer interest and promote a forward looking consumer protection culture.

The ACCP members at the national level should take the lead in institution-building for consumer protection. Such an agency is essential for building capacity for a modern and effective consumer protection regime.

Rationale:

A dedicated agency for consumer protection is indispensable for the promotion of consumers' rights and interests. While such an agency operates in a local context, it invariably involves external linkages and networking. (A number of AMSs have established national consumer protection agencies (e.g. Indonesia) or have units within ministries such as trade (e.g. Malaysia, Singapore) and Consumer Protection Boards (e.g. Thailand).

The most important factors underpinning the development of a national consumer protection agency are:

- Independence
- Credibility
- Capacity
- Technical competence, and
- Enforcement capabilities
- Inter-agency coordination

The above factors are all inter-related. The key ingredients to build credibility are to have technical competence and a reputation for independence and the ability to take swift and decisive action.

Technical competence comes through having professional staff in consumer protection, e.g. personnel with expertise in consumer issues, law, economics and education. To be able to sustain a pool of competent staff, resources should be allocated for recruiting and training staff with the requisite skills. Synergies can be achieved through networking with other agencies or by building strategic alliances.

Strategy:

Establish a consumer protection agency committed to ensuring a fair and equitable marketplace, safe products and services in the industries it licenses, regulates and enforces, provides public education on consumer issues, and takes a lead in inter-agency coordination.

Recommendations:

- Consumer protection advocacy to be an essential component of the national economic and development policy. Obtain political support by providing the relevant authorities with the Roadmap for Capacity Building Needs in Consumer Protection in ASEAN.
- Role, function and scope in consumer protection.
- A proposal with personnel and budgetary requirements for the establishment of a consumer protection agency at national level.
- Capacity Building of existing consumer protection agencies in AMSs where a new agency is not required.

Actions:**Short to Medium Term**

1. Establish an inter-agency/expert panel to develop a comprehensive proposal to establish a consumer protection agency.
2. The panel will commission the review of the scope and functions of existing agencies undertaking activities related to consumer protection.
3. The panel will appoint experts to develop a comprehensive plan for the establishment of a consumer protection agency. The plan will include all aspects of institution building e.g. structure, functions, scope, staffing, programmes, research on emerging consumer issues, financial resources, etc. Among the functions will be publicity activities to create awareness about the role of the consumer protection agency in enforcement, addressing consumer grievances and consumer education to prevent consumers from being victims of fraud. Declaring a National Consumers Day is one way to create public awareness.

Medium to Long Term

4. Establish Consumer Protection Agencies/Councils at local levels in tandem with decentralisation policies.
5. Establish National Consumer Councils in all AMSs with stakeholder representation of women, children, senior citizens, industry and labour.

Best Practice:

Utilisation of Consumer protection agencies currently in existence in ASEAN, Australia, EU and the US e.g. Departments of Consumer Protection, to be used as reference guidelines.

5.B.3 ASEAN FACILITY FOR CONSUMER PROTECTION

High Priority

Long Term

Rationale:

An ASEAN Facility for Consumer Protection (AFCP) would have multiple benefits for AMSs which are at different stages of economic and social development. This is especially significant in view of the rapidly approaching target of regional economic integration by 2015.

The benefits of establishing the AFCP range from resource maximisation, sharing of best practices in consumer protection. Additionally it will pay dividends by catalysing regional harmonisation processes.

Strategy:

Build partnerships for capacity building in consumer protection for ASEAN.

Recommendation:

An ASEAN Facility for Consumer Protection to further assist the AMSs in human resource development for consumer protection.

Actions:

Short to Medium Term

1. Create a database of:
 - Experts within and outside ASEAN available to advise
 - All product standards adopted by each AMS
 - Product bans recall
 - National legislation and regulations
 - Industry codes
 - Key legal cases – both successes and failures
 - Training courses and other professional continuing education opportunities available
 - Bibliography of relevant literature and other research material
 - Collection of consumer education and awareness material
 - Data on consumer injuries
 - Best practice standard form contracts
2. Provide internet discussion and advice networking facility
3. Research on developing consumer issues

Active functions

- Organise/provide training courses and other capacity building services e.g. placing expert advisors with agencies

- Issue product safety alerts
- Provide advice on product safety assessments made outside ASEAN
- Provide advice on best practice programmes in ASEAN and other countries
- Analyse consumer injury data

Pro-active functions

- Advice on policy, legal and programme issues
- Make recommendations on desirable changes to laws
- Provide product testing on safety and energy efficiency
- Register products for the ASEAN market
- Maintain a pool of in-house experts
- Operate a cross-border dispute resolution facility
- Develop education and awareness material in ASEAN languages

In order to foster collective ownership of the facility and to develop ASEAN leadership in consumer protection, the management of the facility (e.g. the Chair) can be rotated among AMSs.

SECTION 5C:

Other Areas of Priority Action in the long term for *Roadmapping Capacity Building Needs in Consumer Protection in ASEAN*:

5.C.1 CONSUMER EDUCATION

High Priority

Short to Long Term

Rationale:

Capacity building involves consumers too as consumers matter in the ASEAN Economic Community. The multiplicity of consumer issues – Changing trends in the marketplace in the face of globalisation, liberalisation, growing use of the internet for information and shopping, unsustainable consumption patterns, privatisation, adverse economic trends pose major challenges for government and consumers. In a climate where consumers are under pressure it is important they are empowered.

Building on basic skills such as literacy and numeracy as a foundation, consumer education empowers people with the knowledge to interpret information, make judgments and rational choices, seek consumer information and file complaints.

Consumer education contributes to better regulation because consumers who know their rights and responsibilities are more likely to provide valuable feedback on the effectiveness of regulation.

The UN Guidelines for Consumer Protection, 1985, states that the right to consumer education means the right to acquire the knowledge and skills to be an informed consumer throughout one's life. The right to consumer education incorporates the right to knowledge and skills needed for taking actions to influence the factors that affect consumer decisions. (*Source: UN Guidelines for Consumer Protection, 1985*). The Expanded UN Guidelines for Consumer Protection 1999 includes the promotion of sustainable consumption in consumer education.

Consumer education aims to create independent, critical thinking, well-informed individuals who carefully consider the choices they make as individuals and collectively and how these choices affect themselves, other people and the environment. Consumer education encompasses attitudes, knowledge and skills necessary for functioning in today's society. It is about learning responsibility which contributes to the individual's ability to choose a socially and environmentally responsible lifestyle as well as contributing to the welfare of the global society.

Consumer education allows the consumer to make decisions based on his or her own values instead of under the influence of marketing forces. The utilisation of resources based on

environmental responsibility would also contribute to the development of a better quality of life for all. To accomplish these goals is also the goal of consumer education. Therefore, consumer education is an important element contributing towards the improvement of the national and regional economies, the quality of life, as well as to the individual's well-being.

Strategy:

To develop a systematic approach towards consumer education covering the entire range of consumer constituencies, consumer issues, delivery systems and appraisal procedures, and taking cognisance of the relevant supporting factors to ensure comprehensive reach and effectiveness towards developing a society of discerning and critical consumers with high consumer literacy in a globalised environment.

Recommendations:

- A Regional Strategy for Consumer Education, leading to National Policies on Consumer Education.
- A multi-platform approach to consumer education consisting of formal education and issues-based non-formal education.
- Consumer Journalism courses in training programmes for journalists as well as in undergraduate studies.

Actions:

Short to Medium Term

1. Undertake a consumer skills deficit study in AMSs.
2. Establish a Steering Committee on consumer education in each AMS in order to guide the development of consumer education through formal and non-formal approaches. A consumer education programme in the formal education system will include the inputs of a variety of stakeholders and inter-ministerial involvement for modules geared towards primary, secondary and tertiary education institutions. In the non-formal segment, participation is also required from a broad spectrum of stakeholders, while delivery mechanisms and channels provide a wide scope for creative presentation of consumer issues and consumer education aims.
3. Train journalists to fulfil their role as communicators of consumer education. It is vital that they are adequately trained in consumer issues so that they can objectively assess and interpret information from a variety of sources, including that generated by industry, government, experts and consumer groups.³ Include sustainable consumption in consumer education programmes. Effective consumer education is the cornerstone in the process of transforming consumer behaviour from a high consumption, wasteful pattern towards one that is based on the principles of sustainable development and consumption.

Short to Medium Term

4. Design a consumer education curriculum that includes:
 - Communication, decision making and problem-solving skills
 - Creativity and change management

- Money management
- Ethical consumerism, and
- Sustainable consumption

The following modules should be part of consumer education programmes that aim to develop consumers' self-protection capacity:

- Basics of Consumer Protection – Consumer Rights and Responsibilities
- Consumer Protection: Regulation, Legislation, Monitoring, Enforcement, Self-Protection and Representation
- Consumer Protection Act and other consumer protection legislation related to food, standards, product safety, environment, housing, health, consumer credit and e-commerce, among others.

5. Develop training programmes for consumer educators. Develop a pool of consumer educators and resource persons both for the formal and non-formal education sectors.

6. Introduce degree courses in Consumer Protection and Consumer Education. AMSs should provide regional scholarships for these courses.

Outputs:

- A consumer skills deficit study in AMSs.
- A consumer education curriculum.
- Consumer Education Modules/Materials for TV/Radio Programmes.
- Qualified and certified consumer protection practitioners.

Best Practices:

- European Union (EU)-supported consumer education programmes, e.g. the e-consumer education projects in 23 EU countries. See www.e-cons.net
- Innovative consumer education on environmental issues. See www.viconed.org
- Simple consumer education materials developed by Consumer International's South Pacific Consumer Protection Programme.
- Easy-to-understand, jargon-free consumer education materials, e.g. The Law for Consumers, The Law for Motorists, etc, produced by Consumers' Association, UK.
- School consumer clubs, Malaysia.
- Malaysian government consumer education materials, e.g. Consumer Guide for Schools, which has been in use since the 1990s, consumer comics, pamphlets.

5.C.2 ADVOCACY

High Priority

Short to Long Term

5.C.2.1 Consumer Organisation or Non-government Organisation

Rationale:

The consumer organisation or NGO, who plays the role of a watchdog for the government, is like an ambassador for consumer rights. It is not always easy for individual consumers to take up cases against large institutions as they may not have the finances or ability to follow a complaint through to court proceedings. The consumer organisation will be responsible for raising awareness of consumer issues in general, and will be empowered to take on big cases that are of national importance – taking them all the way to court on behalf of groups of consumers who are entitled to compensation or a refund. However, the Consumer Advocate will not be able to take on individual cases.

The consultation wants to know how the consumer organisation/NGO could improve the effectiveness of consumer education and how best to communicate with the most vulnerable consumers. The government wants the Advocate to "improve the coordination of education and information campaigns and to champion the needs of consumers".

Strategy:

Create a national profile for consumer protection through a consumer organisation/NGO.

Recommendation:

- Development and empowerment of consumer organisation/NGO, and engagement with governments.

Actions:

1. Review the principal consumer protection law to provide for the consumer organisation development, empowerment and engagement.
2. The consumer organisation holds consultations with all stakeholders who have an interest in improving legislation for consumer protection, obtaining compensation for consumers (victims of fraud, etc), improving effectiveness of consumer education and information.

The consumer movement's engagements with ASEAN Governments span economic, developmental and social dimensions in the national life. The consumer movement, however, faces formidable challenges to remain relevant and continue to play an effective role in protecting the welfare of consumers. Governments recognise strong, professionally managed organisations are central to the self-protection of consumers. The existence of such organisations will also encourage industry to maintain a high level of self-regulation. Strong consumer organisations are becoming increasingly important in an environment where the government is moving away from its role of being a service provider to that of a

service regulator. They also play an important role in the marketplace as globalization and trade liberalization are gaining momentum.

ASEAN has actively supported the development of the consumer movement in the last three decades and continues to do so. ASEAN has recognised the critical role of consumer organisations in the areas of consumer representation, redress, information and education.

An ASEAN Strategic Action Plan includes a strategic review of the consumer movement and strategies to remain relevant to their constituencies. The Action Plan will focus on the following areas:

- Institutional/Organisations development
- Governance, transparency and accountability

The Key Success Factors

- Programmatic activities (research, information, representation, etc)
- Resource mobilisation and self-reliance (Funding)
- Building expertise
- Role in an environment of consumer self protection and industry self regulation
- The management of information
- Procedures for consultation on policy issues
- Capacity building in the understanding and application of legislation
- Coordination and engagement with government agencies
- International role

5.C.3 CHILDREN AND ADVERTISING

High Priority

Short to Long Term

Rationale:

Children have become an increasingly important market for advertisers. Television advertising is particularly aimed at children. In the KIIs for the purposes of *Roadmapping Capacity Building Needs in Consumer Protection in ASEAN*, the participants in most of the ASEAN countries expressed their concerns over the impact of TV advertising targeted at children. The lack of regulation of television advertising to and for children is a concern in AMSs.

Strategy:

ASEAN to engage regulatory authorities in AMSs, food companies, consumer NGOs and advertisers to establish regulations for advertising targeted at children.

Recommendations:

- Advertising regulations and Codes of Advertising Practice with particular regard to children and food advertising.

Table 5.2: Restrictions on Advertising to Children.

Australia	No adverts during 'P' classified programming for pre-school children. No more than five minutes of ads for each day's 30 minutes of 'C' classified children's programming
Austria	No advertising during children's programmes
Belgium	In the Flemish region, no advertising is permitted 5 minutes before or after programmes for children fewer than 12. Also no tele-shopping is permitted.
Denmark	No advertising breaks during programmes (for all broadcasting). Maximum transmission time of adverts is 10% of daily programme time.
Norway	Adverts not permitted to be broadcast during and in connection with children's programmes, nor can ads target children specifically.
Sweden	TV advertising aimed at children under 12 is not permitted. Neither is it permitted to transmit advertisements during or immediately before or after children's programmes. No programmes (with certain exceptions) may be interrupted by commercial breaks.
UK	For terrestrial channels, advertising is limited to an average of 7 minutes per hour. Between 18.00-23.00 and 7.00-9.00, advertising must not exceed an average of 7.5 minutes/hour.
USA	Advertising limited to 10.5 minutes per hour on weekends and 12 minutes per hour on weekdays during children's programming.

(Sources: Consumers International, 1996)

Actions:

Short to Medium Term

1. ACCP to establish an ASEAN Committee of Regulatory Authorities to review all food advertisements targeted at children.
2. All AMSs to appoint national committees to review regulations related to media and advertising related to children and advertising.

Outputs:

- ASEAN Policy Framework on the Protection of Children as Consumers adopted by 2013
- Codes of Conduct on Advertising and Children implemented by 2014.

The mass media has a pivotal role to play in educating consumers about their rights and responsibilities, disseminating information about consumer issues and helping to change consumer behaviour. Thus, systematic capacity building for journalists is required in order that the mass media develops the competencies needed to report effectively on issues that concern the consumer interest. In addition, the electronic media offers many formats that can be utilised to promote the consumer interest, including talk shows, information

dissemination programmes and special features that focus on consumer issues. New, interactive media technologies such as social media can be harnessed to reach new groups of consumers who are moving away from conventional media channels.

Nonetheless, adequate public media resources should be apportioned for promoting consumer awareness and education. Care should be exercised to balance the media content that is slanted in favour of commercial interests by providing independent information about products and processes, so that consumers are able to make informed choices. As such, the media ombudsman's role should be recognised as a key component of consumer protection to provide a channel for complaints and redress.

The preceding chapters have examined the context of consumer protection in ASEAN, provided a situational analysis. The strategies, recommendations, action plans and outputs detailed above are presented in a matrix indicating the time frame for an Implementation Plan. Emphasis is placed on actions and proposals that are feasible and actionable in the context of policies, plans, legislation and programmes in the short and medium and long terms.

5.3 IMPLEMENTATION PLAN FOR THE ASEAN ROADMAP

The AMSs are in different stages of political, social and economic development. However, consumers in ASEAN are confronted with a globalised and liberalised marketplace. New market trends, digitalised markets, cross-border transactions and new goods and services all pose challenges for policy makers, regulators, consumers and businesses. The new technologies raise consumer protection concerns about increased fraud and deception, greater invasion of privacy, and risks of anti-competitive behaviours. The ASEAN Economic Community has demonstrated that it is committed to addressing consumer protection issues as enunciated in the ASEAN Economic Community Blueprint.

The ACCP is an institutional development within ASEAN which is proactively promoting various mechanisms to address consumer protection regionally, particularly in the BCLM subgroup countries. The ACCP has great potential for building a consumer protection regime that responds to the new consumer protection concerns.

However, the primary responsibility for providing protection for consumers lies with the state, but a multi-dimensional and multi-stakeholder approach is crucial. Cooperation at the local, national and regional levels is needed for achieving a sustainable consumer protection framework for ASEAN's 600 million consumers.

The Roadmap is an assessment of the capacity building needs for consumer protection that is adequate for the 21st century and relevant to the ASEAN region. To achieve an equitable level of protection for consumers in the region, the AMSs will require a range of strategic capacity building measures. These should cover policies, legislation, enforcement mechanisms, resource mobilisation – including financial and human resource development, acquisition of expertise and skills in relation to consumer products and services and regional planning to achieve the highest levels of consumer protection in ASEAN.

The systematic development of consumer policies, master plans, comprehensive legislation, effective enforcement, just redress mechanisms for core consumer areas, development of appropriate institutions and targeted programmes must be pursued. As such, the priority areas assessed for capacity building are:

I. Policies. Regional and national consumer policies recognise the fundamental rights of consumers, reduce inequalities and provide mechanisms for instruments, structures and resources.

For example, the Australian Productivity Commission considers that the high level objective for the future policy framework should be to improve consumer wellbeing by fostering effective competition and enabling the confident participation of consumers in markets in which both consumers and suppliers can trade fairly and in good faith. This should be supported by the following set of operational objectives:

- ensure that consumers are sufficiently well-informed to benefit from, and stimulate effective competition;
- ensure that goods and services are safe and fit for the purposes for which they were sold;
- prevent practices that are unfair or contrary to good faith;
- meet the needs of those who, as consumers, are most vulnerable, or at greatest disadvantage;
- provide accessible and timely redress where consumer detriment has occurred; and
- promote proportionate, risk-based enforcement.

- II. **Master Plans.** A natural outcome of consumer protection policies is the development of a national consumer master plan which will create the framework for enhancing consumer protection in each AMS.
- III. **Regulation and Laws.** Appropriate legal frameworks are necessary to develop consumer protection legislation.
- IV. **Principal Consumer Protection Law,** which is an all-round legal umbrella provided by governments to protect consumers.
- V. **Codes of Conduct** are essential self-regulatory mechanisms to ensure voluntary compliance and reduce the economic cost of regulation in key consumer industries.
- VI. **Enforcement.** Enforcement is the cornerstone of consumer protection. It is critical to empower regulatory authorities by providing adequate human resources and training and better inter-agency coordination.
- VII. **Redress Mechanisms.** Highly responsive and speedy consumer redress systems create a dignified, consumer-friendly enabling environment supported by a punitive system to deter consumer-related offences and injuries.
- VIII. **Establishing Institutional Structures.** A functioning national consumer protection agency is pivotal for strengthening and supporting a comprehensive consumer protection regime in each AMS. As consumer issues cut across many administrative jurisdictions, inter-agency coordination needs to be formalised.
- IX. **ACCP** is a key institutional mechanism within ASEAN for proactively developing sound consumer protection mechanisms regionally and nationally.
- X. **Human Resource Development.** An adequate pool of personnel competent in consumer protection laws, regulations and areas is essential.
- XI. **Core Consumer Areas.** The burgeoning ASEAN market in goods and services has brought with it new challenges for consumers particularly in the following areas: product safety, phone, internet and e-commerce, credit and banking, health and professional services (medical and legal). Capacity building needs for regulators, businesses and consumers in these areas have to be addressed.
- XII. **Consumer education.** Consumers need skills to be able to make informed decisions on the goods and services they purchase. Therefore a systematic approach towards consumer education covering constituencies such as women, consumer issues, delivery systems and appraisal procedures must be part of the consumer protection regime.

XIII. Children and Advertising. As lifestyle illnesses have become a growing problem in ASEAN, advertisements related to the promotion of unhealthy food need to be regulated.

XIV. Regional Facility. A regional facility for consumer protection would bring multiple benefits for AMSs which are at different stages of economic and social development. The benefits of such a facility range from resource maximization, sharing of best practices in consumer protection and additionally will pay dividends by catalyzing regional harmonization process.

The above priorities were identified using the following criteria:

- i) **AMSs feedback at the ACCP Workshop 2010**
- ii) **Prioritisation of Focus Areas was prioritized based on Weigners' framework for prioritizing requirements.**

AMSs feedback at the ACCP Workshop 2010

Feedback and views expressed by representatives of the AMSs during the ACCP Workshop 2010 on “*Roadmapping Capacity Building Needs for Consumer Protection.*” The focus areas for capacity building identified by the participants of the workshop in summarised earlier in Table 4.4.

The Table indicates that seven out of the nine countries present singled out “Enforcement” as an important capacity building need. Capacity building needs in other aspects of consumer protection that were identified by at least six of the countries are: Development of a Master Plan, Drafting of a Principal Consumer Protection Act, Establishment and Strengthening of Institutional Structures and Consumer Education and Awareness. The inputs from the workshop complemented the findings of the GS which sought to obtain data and information from relevant stakeholders in the AMSs, about their priorities for capacity building. The information obtained from the GS and the workshop was consolidated and rationalized into a coherent set of focus areas in which capacity building is required.

Prioritisation of Focus Areas was prioritized based on Weigners' framework for prioritizing requirements.

Table 5.3: Wiegner's scale for prioritizing requirements

	Name	Meaning
Scale 1	High	A critical requirement for consumer protection
	Medium	Supports the system; required eventually but could wait until later
	Low	A functional or quality enhancement, would be nice to have someday if resources permit
Scale 2	Essential	These requirements must be satisfied to ensure consumer protection
	Conditional	These requirements would enhance consumer protection, but absence of these requirements does not negate consumer protection
	Optional	These requirements may or may not be worthwhile for consumer protection

Source: Adapted from Karl E. Wiegner (n.d.) First Things First: Prioritising Requirements."

The focus areas for capacity building were prioritised as follows:

		SCALE 1			SCALE 2		
		High	Med	Low	Essential	Conditional	Optional
1	ASEAN Consumer Protection Framework / Guidelines	√			√		
2	ASEAN Consumer Protection Policy	√			√		
3	Consumer Protection Policy – National	√			√		
4	National Master Plan	√			√		
5	Legislation – Principal Consumer Protection Act	√			√		
6	Inst. Structure	√			√		
7	Enforcement	√			√		
8	Redress Mechanisms	√			√		
9	Consumer Related Laws	√			√		
10	Consumer Education		√		√		
11	Core Consumer Areas		√		√		
12	HRD	√			√		
13	ACCP / CCPID	√				√	
14	NGO Development		√			√	
15	Advocacy		√		√		
16	ASEAN Facility		√			√	
17	Children and Advertising			√		√	
18	Women			√		√	
19	R & D			√		√	
20	Codes of Conduct			√			√

Table 5.4. Implementation Plan for ASEAN Roadmap for Capacity Building Needs in Consumer Protection.

STRATEGIC THRUST AREAS		PRIORITY ACTIONS		
		SHORT TERM 2011-2012	MEDIUM TERM 2012-2013	LONG TERM 2013-2015
	SECTION 5A Special Recommendation HIGH PRIORITY ASEAN Committee on Consumer Protection (ACCP)	Regional <ul style="list-style-type: none"> • Include in the agenda of the June 2011 ACCP Meeting discussion on Strategic Plan (SP) for ACCP • Identify scope and components for SP • Set timeline for its development and implementation • Identify expert for SP in 2011 • Note: A SP for ACCP from 2011 – 2015 is to empower ACCP to achieve the goals of this Roadmap. 	Regional <ul style="list-style-type: none"> • SP completed by 2012 and implement to commence the same year. 	Regional <ul style="list-style-type: none"> • Review and assess the achievements of ACCP.
1.	HIGH PRIORITY ASEAN REGIONAL CONSUMER PROTECTION POLICY (CPP)	Regional <ul style="list-style-type: none"> • Initiate development of an ASEAN Consumer Policy Framework and Guidelines. Regional <ul style="list-style-type: none"> • ACCP to produce Regional Handbook on CP in ASEAN which includes overview of ASEAN CP law framework, scope of CP in ASEAN and substantive and procedural CP law applicable in individual AMSs. 	Regional <ul style="list-style-type: none"> • Table Draft Regional Consumer Policy Guidelines for consultation with AMSs. Regional <ul style="list-style-type: none"> • Develop Draft ASEAN Consumer Protection Policy based on the Guidelines. 	Regional <ul style="list-style-type: none"> • Draw up Work Plan with implementation milestones for Regional Consumer Protection Policy that will include adopting of best practices. Output: Regional Consumer Protection Policy 2013

Table 5.4. (continued).

STRATEGIC THRUST AREAS	PRIORITY ACTIONS		
	SHORT TERM 2011-2012	MEDIUM TERM 2012-2013	LONG TERM 2013-2015
	<p>Regional</p> <ul style="list-style-type: none"> • Hold a briefing for ASEAN officials, including ACCP, on an ASEAN-wide consumer policy for a single market in 2012. <p>Regional</p> <ul style="list-style-type: none"> • Hold Regional Consultation to identify and prioritise major consumer policy areas for the ASEAN region. 	<p>Regional</p> <ul style="list-style-type: none"> • ASEC to undertake capacity building for government officials for implementation of an ASEAN consumer policy, particularly BCLM. Study visits to learn from experiences of EU in consumer policy implementation in an internal market operating in line with competition rules. <p>Regional</p> <ul style="list-style-type: none"> • Conduct an in-depth study on impact of accelerating a Regional Consumer Policy on national regulatory regimes and trade by January 2012. <p>Regional</p> <ul style="list-style-type: none"> • Convene meeting on study findings and recommendations of impact of accelerating consumer protection regulatory regime (particularly in BCLM.) by 2012. <p>Output: Publish study on policy acceleration impact</p> <p>Sub-Regional</p> <ul style="list-style-type: none"> • ASEC to organise training on consumer policy and laws for BCLM by 2013. <p>Output: Regional Consumer Policy launched by ASEAN ministers by 2013.</p>	

Table 5.4. (continued).

STRATEGIC THRUST AREAS	ACTION PLANS		
	SHORT TERM 2011-2012	MEDIUM TERM 2012-2013	LONG TERM 2013-2015
2. HIGH PRIORITY INTEGRATED IMPLEMENTATION OF NCPP, MASTER PLAN AND LEGISLATION	<p>National</p> <ul style="list-style-type: none"> Establish an inter-agency expert committee in individual AMSs to outline the procedures and processes for developing NCCP, Consumer Master Plan and Principal CP Act by 2011. Establish National CP Agency in BCLM. Provide capacity building training for BCLM by 2012. <p>Best Practices:</p> <ul style="list-style-type: none"> Examine EU Consumer Policy Strategy 2007 – 2013. OECD Consumer Policy Toolkit Refer to: <ul style="list-style-type: none"> Australia Consumer Law (2011). Consumer Protection Act UK (1987). Trade Practices Act 1974 (Australia) CPA Acts in AMSs. <p>Regional</p> <ul style="list-style-type: none"> ASEAN to study the EU model on consumer protection and harmonisation of domestic legislation through the issue of a series of “Directives” on core areas e.g. Unfair Contract Terms, Green Consumerism, Consumer Credit, etc. 	<p>National</p> <ul style="list-style-type: none"> Appoint experts to develop NCCP, Master Plan and Principal CP Act by 2013. Hold an ASEAN Regional Consultation for a model CP law by December 2012. Design National Roadmap for Consumer Protection with milestone implementation plan based on assessment of existing consumer protection laws and programmes by 2012. <p>Output: Consumer policy in all AMSs by 2013.</p> <ul style="list-style-type: none"> Include consumer policy in the training of officials in agencies dealing with consumer issues in all AMSs. Training programmes implemented on CP laws for BCLM by 2012. 	<p>National</p> <p>Output:</p> <ul style="list-style-type: none"> Consumer Master Plan by 2014 By 2015, all AMSs to implement a principal consumer protection act that reflects the harmonisation agreements in a single market. Cross-border CP regulatory environment in place by 2015. Network of industry Ombudsmen organisations created by 2015.

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Table 5.4. (continued).

STRATEGIC THRUST AREAS		ACTION PLANS		
		SHORT TERM 2011-2012	MEDIUM TERM 2012-2013	LONG TERM 2013-2015
3.	LOW PRIORITY CODES OF CONDUCT	<p>National</p> <p>3. Individual AMSs to review industry codes that are in place for last 10 years or longer by 2012.</p> <p>4. All AMSs to establish self-regulatory mechanisms in key consumer industries such as financial services and telecommunications by 2012.</p> <p>5. Reforms to Consumer Law at national level to include framework for the development and use of voluntary and mandatory codes of conduct.</p> <p>6. Initiate training at national level on Code Monitoring for government officials by 2012.</p> <p>Regional</p> <p>7. Produce a Generic Handbook on Code of Ethics which will provide a template for ethical business conduct.</p>	<p>National</p> <p>Output: A central code monitoring body in each AMS by 2013.</p> <p>8. Consumer protection agencies in AMSs to encourage companies to provide training for employees on company/industry codes of conduct including ISO 26000/Social responsibility.</p>	<p>National</p> <p>Output: Central code monitoring body in each AMS to publish annual reports on code monitoring activities.</p> <p>Regional</p> <p>Output: Regional Codes of Conduct particularly for Telecommunications and Financial Services by 2015.</p>

Table 5.4. (continued).

STRATEGIC THRUST AREAS	PRIORITY ACTIONS		
	SHORT TERM 2011-2012	MEDIUM TERM 2012-2013	LONG TERM 2013-2015
4. HIGH PRIORITY ENFORCEMENT	<p>Regional</p> <ul style="list-style-type: none"> Conduct briefing on common problems of enforcement for consumer protection agencies and to prepare groundwork for single ASEAN market in all AMSs by June 2012. <p>National</p> <ul style="list-style-type: none"> Organise exposure visits for consumer protection officials of BCLM to enforcement agencies in more developed AMSs by 2012. Develop a comprehensive programme in all AMSs including best practices for the capacity building of enforcement officials in all jurisdictions related to consumer protection by 2012. BCLM to develop these programmes by 2015 in collaboration with Indonesia, Malaysia, Philippines, Singapore, Thailand and Vietnam. 	<p>National</p> <ul style="list-style-type: none"> Establish an inter-agency coordination committee of agencies involved in consumer protection to optimise enforcement mechanisms. Set up functional consumer protection units in all national enforcement agencies, review functions and resources formulate action plans and identify implementation milestones. <p>Output: Undertake ASEAN study on impact of decentralisation policies on enforcement of consumer laws.</p> <p>Regional</p> <ul style="list-style-type: none"> Institute regional enforcement of product safety laws at all points on entry. <p>Output: Establish an ASEAN training institute for enforcement officials in consumer protection.</p>	<ul style="list-style-type: none"> Bring together enforcement regulators in all AMSs to form a task force to develop an enforcement policy for consumer protection that includes a best practice model by 2014. Develop a strategy on publicity for enforcement actions. <p>Output: An ASEAN network of enforcement agencies involved in consumer protection to promote training and exchange programmes to build a high quality enforcement infrastructure for ASEAN by 2015.</p> <p>Output: Best Practice Enforcement Model developed in all AMSs by 2015.</p> <p>Output: National network of enforcement partners, including local authorities in all AMSs.</p> <p>Regional Output: Joint working groups for enforcement of consumer protection regulations in the ASEAN region by 2015.</p>

Table 5.4. (continued).

STRATEGIC THRUST AREAS	PRIORITY ACTIONS		
	SHORT TERM 2011-2012	MEDIUM TERM 2012-2013	LONG TERM 2013-2015
	<p>Sub-Group Develop a training programme in enforcement of consumer protection in BCLM by 2012.</p> <p>Regional</p> <ul style="list-style-type: none"> Regional consultation to identify gaps in enforcement in context of single ASEAN market by 2012. 	<p>Regional</p> <ul style="list-style-type: none"> Strengthen enforcement of environmental laws for trans-boundary pollution which impact on consumer health and safety. ASEAN to develop strategic plan, which includes capacity building for specialist team, for internet enforcement of consumer law. <p>National</p> <ul style="list-style-type: none"> Publish advisory materials on enforcement for businesses and consumer organisations. Develop a database of enforcement cases to identify legislative and policy gaps, monitor trends in non-compliance of laws and identify weaknesses in enforcement and redress issues in IMPSTV by 2013 and in BCLM by 2015. <p>Establish ethical business councils in key industries producing consumer goods and services in all AMSs.</p>	

Table 5.4. (continued).

STRATEGIC THRUST AREAS		PRIORITY ACTIONS		
		SHORT TERM 2011-2012	MEDIUM TERM 2012-2013	LONG TERM 2013-2015
	<i>Continued..</i> ENFORCEMENT		<p>National</p> <ul style="list-style-type: none"> Update legal provisions for enforcement to ensure that they are appropriate for the 21st century (plug loopholes). Compile Best Practices in Consumer Protection Enforcement through a review of AMSs Regulations. Develop enforcement performance measures for AMSs (Refer to Australian Good Practice Model). 	
5.	HIGH PRIORITY REDRESS MECHANISMS	<p>National</p> <ul style="list-style-type: none"> Undertake a study of redress mechanisms available in each AMS on the basis of performance, effectiveness, operating processes and procedures to evaluate for access, fairness, accountability and independence of redress schemes. <p>Sub-Group</p> <ul style="list-style-type: none"> Training for BCLM on redress mechanisms. 	<ul style="list-style-type: none"> Review Redress Mechanisms to enhance their responsiveness to the ASEAN single market environment. (Consumers must have the same rights in all AMSs.) <p>Output: Establish National Complaints Centre by consumer NGOs where feasible by 2013.</p> <p>Regional</p> <ul style="list-style-type: none"> Introduce an Intelligence System for a high profile single complaints centre register for consumers to register cases of breach of consumer laws. 	<p>Regional</p> <p>Output: Institute mechanisms for cross-border redress for aggrieved consumers by 2015.</p> <p>Output: Based on findings of the study on redress mechanisms, multiple redress mechanisms set up in AMSs e.g. Tribunals, Alternative Dispute Resolution (ADR) by 2013 that will provide access to cheap effective redress. The Consumer Protection Law should include provisions for ADR.</p>

Table 5.4. (continued).

STRATEGIC THRUST AREAS	ACTION PLANS		
	SHORT TERM 2011	MEDIUM TERM 2011-2013	LONG TERM 2011-2015
<p><i>Continued..</i></p> <p>REDRESS MECHANISMS</p>	<p>National</p> <ul style="list-style-type: none"> • Create a model framework for complaints handling to ensure that consumer redress reaches all levels of society by 2012. 	<p>National Regional</p> <ul style="list-style-type: none"> • Undertake and ASEAN level consultation on redress in the context of the development of an ASEAN Economic Community by 2013. • Provide guidelines, self help tools to find access to redress. • Enhance power of enforcement officers through forensic training, exchange programmes with EU, Australia, and developed AMSs. • Establish a redress mechanism for the growing number of online transactions. • Develop strategy for using media as partners to generate awareness of complaints by 2013. • Establish Public Complaints Bureaus at government levels in AMSs. • Establish a call centre for complaints. Promote adoption of ISO standards. 	<p>National</p> <p>Output: Establish a Consumer Legal Action Fund in all AMSs.</p> <ul style="list-style-type: none"> • Establish a good data management system with robust backend processes for redress in all AMSs. • AMSs government to act collectively against consumer scams and enhance protection for victims of mass consumer fraud. • Harmonise methodology of classifying and reporting consumer complaints. • Establish a central database for complaints handling to enable regulators and policy makers to assess gaps in the process of complaints handling and redress, trends in complaints as well as best practices in complaints handling and redress.

Table 5.4. (continued).

STRATEGIC THRUST AREAS		ACTION PLANS		
		SHORT TERM 2011-2013	MEDIUM TERM 2012-2013	LONG TERM 2013-2015
6.	<p>HIGH PRIORITY</p> <p>CORE CONSUMER AREAS</p>	<p>Product Safety and Labelling of Goods and Services:</p> <p>National</p> <ul style="list-style-type: none"> • Commission to review all national laws and regulations on safety and goods and services, including aspects of healthcare products and children's toys by 2012. • Establish comprehensive quality infrastructure to ensure safety of goods and services including standardisation (e.g. (ISO 9000/14000/22000/27001/)) Conformity assessment, standard development and information, testing, inspection and product certification. 	<p>Product Safety and Labelling of Goods and Services:</p> <p>National</p> <ul style="list-style-type: none"> • Establish a National Commission on Consumer Safety related to goods and services in individual AMSs by 2013. • Harmonise product safety standards of goods and services by 2013 in Indonesia, Malaysia, Philippines, Singapore, Thailand, and Vietnam. • Adopt suitable national/international standards on product safety covering products used by children. • Develop the capacity of AMSs to undertake marketplace monitoring of goods and services through exchange programmes with developed economies, e.g. EU and US. • AMSs to share information on product recalls. 	<p>Product Safety and Labelling of Goods and Services:</p> <p>Sub-Group</p> <ul style="list-style-type: none"> • Harmonise product safety standards of goods and services by 2015 in BCLM. <p>Regional</p> <ul style="list-style-type: none"> • Establish regional product safety testing facilities through resource-sharing. • Conduct and Communicate risk assessment of Product Safety Issues in ASEAN "Directives". • Promote independent comparative consumer product testing.

Table 5.4. (continued).

STRATEGIC THRUST AREAS	ACTION PLANS		
	SHORT TERM 2011-2013	MEDIUM TERM 2012-2013	LONG TERM 2013-2015
<p><i>Continued...</i></p> <p>CORE CONSUMER AREAS</p>		<ul style="list-style-type: none"> • Establish National Data Centres on Consumer Injuries including cost of injuries. Regional sharing of injury information caused by products. • Establish product testing facilities in each AMS. • Develop in each AMS an information service on product safety and service quality to alert consumers about potential product hazards. • Enact a product liability act to provide for strict liability. <p>Regional</p> <ul style="list-style-type: none"> • Collate best practices from ASEAN Member States. 	

Table 5.4. (continued).

STRATEGIC THRUST AREAS	ACTION PLANS		
	SHORT TERM 2011	MEDIUM TERM 2011-2013	LONG TERM 2011-2015
Continued... CORE CONSUMER AREAS	<p>Food Safety: (applicable to other sectors such as drugs and cosmetics)</p> <p>National</p> <ul style="list-style-type: none"> Review all Food Safety regulations. Implement mechanisms for compliance with the ISO and CODEX standards for food safety management systems by 2012. AMSs that do not have a Food Safety Policy to formulate one by 2012. <p>Regional</p> <ul style="list-style-type: none"> As stated in the Roadmap for an ASEAN Community (2009-2015), capacity building programmes on risk analysis related to food safety to be completed by 2011. (B.3.i) 	<p>Food Safety:</p> <p>National</p> <ul style="list-style-type: none"> Implement Amended Food Safety Law/Regulations. Publish information on food safety and quality to consumers through a variety of media including publications, television, radio and online channels. Develop capacity building for higher and safer food standards to enable ASEAN to participate in and play an active role in the development of CODEX standards. 	<p>Food Safety:</p> <p>National</p> <ul style="list-style-type: none"> Establish in each AMS a National Food Safety Authority, which should be a statutory, independent and science-based institution by 2015.

Table 5.4. (continued).

STRATEGIC THRUST AREAS	ACTION PLANS		
	SHORT TERM 2011	MEDIUM TERM 2011-2013	LONG TERM 2011-2015
<p><i>Continued...</i></p> <p>CORE CONSUMER AREAS</p>	<p>Consumer Credit and Banking</p> <p>National</p> <ul style="list-style-type: none"> Each AMS to appoint a task force to develop or review consumer credit regulations (e.g. banning unsolicited credit card cheques, providing adequate information on products, reviewing high cost credit markets) Carry out a focus group study on the needs of consumers in financial products and services. AMSs to review and reform laws on pawn broking (source of credit for low-income consumers). <p>AMSs to work with consumer groups and financial institutions to reduce risks of consumer over-indebtedness.</p>	<p>Consumer Credit and Banking</p> <p>National</p> <ul style="list-style-type: none"> Collate best practices on access to consumer credit Develop programmes for reforms in the credit market for better consumer protection. Enact a National Consumer Credit Protection Act. Develop rules on new digital products to ensure that the core principles of consumer protection apply. <p>Regional</p> <p>7. Study the impact of a single market on consumer credit based on standard levels of consumer protection across ASEAN. ASEAN to study EU Consumer Credit Directive.</p>	<p>Consumer Credit and Banking</p> <p>National</p> <ul style="list-style-type: none"> AMSs to produce financial literacy tool kits, such as guides on managing finance wisely, managing debt, etc. <p>Establish independent platforms to resolve disputes between consumers and financial service providers. (see Redressal Mechanisms.)</p>

Table 5.4. (continued).

STRATEGIC THRUST AREAS	ACTION PLANS		
	SHORT TERM 2011	MEDIUM TERM 2011-2013	LONG TERM 2011-2015
<p><i>Continued..</i></p> <p>CORE CONSUMER AREAS</p>	<p>Phone, Internet Services and E-Commerce</p> <p>National</p> <ul style="list-style-type: none"> Establish task force by 2011 to review the laws, regulations and codes governing the ICT sector to improve the regulators' and service providers' responsiveness to consumer concerns. Enhance the National Telecommunications Policies of individual AMSs. <p>Regional</p> <ul style="list-style-type: none"> Develop an ASEAN policy framework for Consumer Protection in Electronic Commerce. Introduce competition in the ICT sector to enable consumers to derive maximum benefits. 	<p>Phone, Internet Services and E-Commerce</p> <p>Regional</p> <p>Output: Develop Best Practice Model for consumer protection in the ICT sector that can be adopted by AMSs by 2013.</p> <p>National</p> <ul style="list-style-type: none"> Provide quick, low-cost dispute resolution procedures that are favoured by both consumers and business. <p>Output: Publish consumer education tools and programmes to generate awareness among different categories of consumers especially the youth.</p> <ul style="list-style-type: none"> Produce consumer education materials on ICT on such issues as information disclosure, faulty goods and avenues for complaints and redress. Institute codes of ethics for various sectors of E-Commerce (e.g. for billing practices and misleading advertising, predatory marketing). Implement best practices in redress mechanisms for consumer protection on phone and internet services and E-Commerce. 	<p>Phone, Internet Services and E-Commerce</p> <p>Regional</p> <p>Output: Develop a training model for consumer protection covering cross-border ICT issues at the regional level.</p> <p>National</p> <ul style="list-style-type: none"> Establish in each AMS a Consumer Forum and Content Forum for THE communications and multimedia industry to improve consumer services. Funding of the above forums in each AMS should be provided by national governments, e.g. Malaysia, they are funded by the Multi Media Commission. <p>Regional</p> <ul style="list-style-type: none"> Training for establishment of the above forums to be provided by Australia and Malaysia. <p>Output: A harmonised legal infrastructure for E-Commerce fully in place in ASEAN, as adopted in the Roadmap for an ASEAN Community 2009-2015.</p>

Table 5.4. (continued).

STRATEGIC THRUST AREAS		ACTION PLANS		
		SHORT TERM 2011-2012	MEDIUM TERM 2012-2013	LONG TERM 2013-2015
<i>Continued..</i>				
CORE CONSUMER AREAS		<p>Healthcare Services</p> <p>National</p> <ul style="list-style-type: none"> • Include CP in National Health Policies. • Develop consumer education tools and programmes to generate awareness on consumer rights in healthcare. <p>Regional</p> <ul style="list-style-type: none"> • Conduct frequent regional campaigns on the risks of tobacco addiction. 	<p>Healthcare Services</p> <p>National</p> <ol style="list-style-type: none"> 3. Establish redress mechanisms for complaints related to medical services for consumers. 4. Establish a national task force to monitor and enforce strictly laws and codes of conduct related to advertisements for drugs, including traditional medicines. 5. Introduce legislation to control the sale of health products through direct selling 	<p>Healthcare Services</p> <p>National</p> <ul style="list-style-type: none"> • Develop consumer health education modules on the rational use of medicines, adverse drug reactions and lifestyle illnesses. • Introduce Patients' Charters in all AMSs as a tool to promote medical ethics and consumers' health rights and responsibilities.

Table 5.4. (continued).

STRATEGIC THRUST AREAS	ACTION PLANS		
	SHORT TERM 2011-2012	MEDIUM TERM 2012-2013	LONG TERM 2013-2015
<p><i>Continued..</i></p> <p>CORE CONSUMER AREAS</p>	<p>Healthy and Safe Environment Regional</p> <ul style="list-style-type: none"> Develop an ASEAN regional policy on sustainable consumption and production, integrating in it the plans for Environmental Protection in the AEC Blueprint. Include in the regional policy the provisions for the right to a healthy environment contained in the UN Guidelines for Consumer Protection 1999 by 2012. <p>National</p> <ul style="list-style-type: none"> Develop consumer education tools and programmes to generate awareness among on environmental issues on waste reduction and energy efficiency. 	<p>Healthy and Safe Environment National</p> <ul style="list-style-type: none"> Develop mechanisms for environmentally preferable products and environmental labelling. Integrate environmental protection into all policies related to consumer protection (legislative, administrative and economic activities). ACCP to organise training for consumer protection officials in all AMSs on sustainable consumption. Study the implications of consumption taxes in the areas of pollution, inefficient use of energy and loss of biodiversity. <p>Regional</p> <ul style="list-style-type: none"> ASEAN to develop region-wide consumer education programmes on sustainable consumption to address the challenges of climate change. 	<p>Healthy and Safe Environment Regional</p> <p>Output: ASEAN Regional Policy on Sustainable Consumption and Production launched by 2013.</p> <p>National</p> <p>Output: National policies on sustainable consumption in all AMSs by 2014.</p> <p>Regional</p> <ul style="list-style-type: none"> Enhance consumer protection measures to foster a robust ASEAN consumer market for ecological food production.

Table 5.4. (continued).

STRATEGIC THRUST AREAS		ACTION PLANS		
		SHORT TERM 2011-2012	MEDIUM TERM 2012-2013	LONG TERM 2013-2015
	<p><i>Continued..</i></p> <p>CORE CONSUMER AREAS</p>	<p>Professional Services National</p> <ul style="list-style-type: none"> • Consumer Protection Laws to include protection for medical and legal negligence, fraud. • Establish a Medical Negligence Fund e.g. Medical Malpractice Victim Fund – Thailand. • ACCP to have consumer representation in the Ethics Committees of Medical/Legal Professions. 	<p>Professional Services National</p> <ul style="list-style-type: none"> • Establish a Task Force to study the inclusion of consumer protection measures for telemedicine in codes of conduct governing the medical and legal professions. The Task Force should also examine redress mechanisms for consumer cases related to tele-medicine. 	<p>Professional Services National</p> <ul style="list-style-type: none"> • Training on Monitoring compliance of codes of conduct and ethical practices related to the legal and medical professionals.

Table 5.4. (continued).

STRATEGIC THRUST AREAS		ACTION PLANS		
		SHORT TERM 2011-2012	MEDIUM TERM 2012-2013	LONG TERM 2013-2015 (or beyond)
7.	SECTION 5B HIGH PRIORITY HUMAN RESOURCE DEVELOPMENT	<p>National</p> <ul style="list-style-type: none"> Establish inter-agency committee to identify the core competencies that are required for consumer protection personnel in each AMS by 2011. Review government policies on recruitment of staff in consumer protection agencies. Mandate national consumer protection agencies to produce consumer policy briefs on emerging issues for policy makers and legislators. Organise consultations, exchange programmes, seminars and workshops on consumer issues involving relevant institutions and stakeholders for BCLM. <p>Create a register of consumer experts from NGOs, industry and academia to support consumer protection programmes.</p>	<p>National</p> <ul style="list-style-type: none"> Collaborate with training institutions to develop training programmes for consumer protection personnel. Review and restructure career paths for consumer protection personnel to make consumer protection a preferred career option. Develop and implement policies to reduce turnover of personnel in consumer related government agencies. Review performance of personnel involved in consumer protection to identify training and development needs. 	<p>National</p> <ul style="list-style-type: none"> Identify and plan to meet newly emerging training and development needs.

Table 5.4. (continued).

STRATEGIC THRUST AREAS		ACTION PLANS		
		SHORT TERM 2011-2012	MEDIUM TERM 2012-2013	LONG TERM 2013-2015 (or beyond)
8.	HIGH PRIORITY ESTABLISHING INSTITUTIONAL STRUCTURES	<p>National</p> <ul style="list-style-type: none"> AMSs to establish National Consumer Protection Agency with stakeholder representations (women, children, senior citizens, industry, labour). <p>Regional</p> <ul style="list-style-type: none"> Strengthen and support with resources ASEAN Committee on Consumer Protection. Establish an ASEAN Consumer Protection Agency Modelled on BEUC (EU). <p>National</p> <ul style="list-style-type: none"> AMSs to support with adequate resources National Consumer Organisations. 	<p>National</p> <ul style="list-style-type: none"> Establish Consumer Protection Agencies/Councils at local levels in tandem with Decentralization policies. Establish Inter Agency Coordination Committee for Consumer Protection as consumer issues cut across many jurisdictions in government. Establish National Consumer Councils in all AMSs. Establish industry Ombudsmen Organisations to complement government enforcement and compliance regime. 	<p>National</p> <ul style="list-style-type: none"> Establish Consumer Information Centres modelled after the Japan Consumer Information Centre

Table 5.4. (continued).

STRATEGIC THRUST AREAS		ACTION PLANS		
		SHORT TERM 2011-2012	MEDIUM TERM 2012-2013	LONG TERM 2013-2015 (or beyond)
9.	ASEAN FACILITY FOR CONSUMER PROTECTION	<p>Regional</p> <ul style="list-style-type: none"> • Establish an ASEAN Facility for Consumer Protection. • Create a database on all ASEAN consumer protection agencies. • The core functions of facility would be: <ul style="list-style-type: none"> - Creating a database; - Expert within and outside ASEAN available to advise; - All product standards adopted by each AMSs; Product bans recall; - National legislation and regulations; - Industry codes; - Key legal cases – both successes and failures; - Training courses and other professional continuing education opportunities available - Bibliography of relevant literature and other research material; - Collection of consumer education and awareness material; - Data on consumer injuries; - Best practice standard form contracts; and - Provide internet discussion and advice networking facility. 	→	

Table 5.4. (continued).

STRATEGIC THRUST AREAS	ACTION PLANS		
	SHORT TERM 2011-2012	MEDIUM TERM 2012-2013	LONG TERM 2013-2015 (or beyond)
10. SECTION 5C MEDIUM PRIORITY CONSUMER EDUCATION	<ul style="list-style-type: none"> Establish a Steering Committee on consumer education in order to guide the development of consumer education through formal and non-formal approaches by 2012. <p>National</p> <ul style="list-style-type: none"> Undertake a consumer skills deficit study in AMSs. Communication skills; decision-making skills; problem solving skills; creativity and change management; money management; ethical consumerism and sustainable consumption. <p>Regional</p> <ul style="list-style-type: none"> Develop and share regionally Consumer Education Modules/Materials for TV/Radio Programmes. 	<p>Regional</p> <ul style="list-style-type: none"> Develop a Regional Strategy for Consumer Education, leading to National Policies on Consumer Education. <p>National</p> <ul style="list-style-type: none"> Develop formal and non-formal consumer education programmes in AMSs including curriculum development. Introduce degree courses in Consumer Protection/Education Include consumer education materials in teacher training programmes Consumer education programmes to be configured to meet the needs of rural consumers, low income consumers, workers and migrant workers who all drive the economic engine of ASEAN. Train journalists to fulfil their roles as communicators of consumer education. Develop a marketing strategy for better distribution of consumer education materials nationally and regionally. 	<p>National</p> <ul style="list-style-type: none"> Provide ASEAN Scholarships for consumer protection/education. Establish an ASEAN Facility to serve as the focal point for consumer education and research.

Table 5.4. (continued).

STRATEGIC THRUST AREAS		ACTION PLANS		
		SHORT TERM 2011-2012	MEDIUM TERM 2012-2013	LONG TERM 2013-2015 (or beyond)
11.	CONSUMER NGO DEVELOPMENT	<p>National</p> <ul style="list-style-type: none"> • Bring consumers to the heart of policy-making through representation by consumer NGOs on legislative basis in AMSs. • Mandate through legislation the recognition and development of consumer NGOs. • Include capacity building and financial resources. • Vibrant consumer groups are necessary to achieve high level of consumer protection in a country. 	<p>National</p> <ul style="list-style-type: none"> • Develop institutional capacity of AMSs Consumer NGOs through capacity building programmes. 	<p>National</p> <ul style="list-style-type: none"> • AMSs to enable consumer NGOs through legislative basis to represent consumers in class action e.g. Indian Model • AMSs to develop standard/formal procedures for consumer organisations to participate formally in national and international organisations (WTO, UN, ASEAN) to advocate the consumer interest.
12.	PROTECTION OF CHILDREN AS CONSUMERS	<p>Regional</p> <ul style="list-style-type: none"> • Develop an ASEAN Policy Framework on the protection of children as consumers. <p>National</p> <ul style="list-style-type: none"> • Involve National Commissions for Child Protection in Consumer Protection for children. 	<p>National</p> <p>9. AMSs to translate ASEAN Policy Framework on children as consumers into national action plans.</p> <p>Regional</p> <p>10. Develop ASEAN Guidelines and Codes of Conduct on Advertising and Children.</p>	<p>National</p> <p>11. Prohibit the promotion of consumer goods such as junk food, medicines and cosmetics in schools in AMSs.</p>

Table 5.4. (continued).

STRATEGIC THRUST AREAS		ACTION PLANS		
		SHORT TERM 2011-2012	MEDIUM TERM 2012-2013	LONG TERM 2013-2015 (or beyond)
13.	ADVOCACY	<p>National</p> <ul style="list-style-type: none"> AMS to appoint a Consumer Advocate to bring a national profile for an overall improvement in consumer protection. 	<p>National</p> <ul style="list-style-type: none"> The Consumer Advocate will hold consultations with all stakeholders who have an interest in improving legislation for consumer protection, obtaining compensation for consumers (victims of fraud, etc), improving effectiveness of consumer education and information. The Consumer Advocate will provide strategic interventions for all areas related to consumer protection. 	<p>National</p> <ul style="list-style-type: none"> The Consumer Advocate will champion the cause of disadvantaged consumers, monitor consumer complaints, take collective actions and apportion funding for consumer activities.

6. THE IMPACT OF CONSUMER PROTECTION POLICIES ON GENDER AND THE ENVIRONMENT

6.1 WOMEN

Women are key players in the market economy, 80% of daily purchases are done by women. As today's market economy is driven by consumer spending, it is justifiable to say that the purchasing power of women has a direct link to the health of the economy. Purchasing for themselves, for their families and the household, women are Triple Consumers. They make choices in relation to food, healthcare and other consumer items. Additionally, the management of household expenditure is the domain of women in many societies.

Women are the largest consumers of health care products and yet most women do not have a say in the choice of these products nor access to correct and unbiased information. Therefore, women must be given a greater role in policy and decision-making on issues related to food security, health and product safety. Women's role in consumption has a major impact on sustainable consumption, development and production. The choices women make as consumers have social, economic and environmental implications.

Further, women in AMSs as in many countries and communities are primarily responsible for sustaining the livelihood of their families. This means that women play a critical role in managing the diversity of the ecosystem as they are responsible for producing the bulk of domestic food. It is well known that worldwide women make up 51% of the agricultural labour force.

Although women are responsible for household consumption, they generally lack the consumer literacy skills needed to make consumption decisions that protect their families, communities and societies. Women's access to decision making at the policy levels is also limited. The *Roadmapping of Capacity Building Needs for Consumer Protection in ASEAN* provides opportunities for women's participation and contribution at policy levels.

Various factors have contributed to low levels of consumer literacy among women. While recognizing that these are critical factors, for the purposes of the implementation of the Roadmap, the focus could be what can women do as consumers in these very challenging times?

Consumer Education is an important empowering tool for enhancing consumer literacy skills and for promoting sustainable lifestyles/consumption/development and production. Women in AMSs can start the process of non-formal Consumer Education through multifaceted programmes such as workshops, community consumer activities, participatory research, taking active roles in government and non-governmental programmes and consumer related exchange programmes. The Consumer Education programmes should take an integrated approach to meet the needs of different age groups and social and economic backgrounds.

Some of the issues that need to be featured in Consumer Education are Consumer Rights, Sustainable Consumption/Development, Agenda-21, Food, Health, Product Safety,

Advertising, E-Commerce, the impact of WTO and AFTA particularly on local industries and livelihoods.

6.1.1 Agenda 21 and Women Empowerment

Agenda 21 is a comprehensive plan of action to be taken globally, nationally and locally by organisations of the United Nation system, governments and major groups in every area in which the human being impacts on the environment. Aimed at promoting sustainable consumption and development, it was adopted at the 1992 United Nations Conference on Environment and Development (UNCED) in Rio de Janeiro. Agenda 21 strengthens the position of women. AMSs have made several efforts to implement Agenda 21.

But the corpus of knowledge on women, environment and sustainable development which includes consumer protection has not been analysed and studied sufficiently. This is an area of work women leaders in various communities in AMSs could initiate. For example, documenting, the sustainable practices in communities, highlighting, and publishing successful cases of sustainable consumption/development practices in the context of consumer protection are potential areas of focus for research on women, consumption and sustainability.

Women need to equip themselves with information on ASEAN's commitment to sustainable development in their development plans. Women further need to understand such issues as environmental impact assessment (EIA) and other environmental tools. Being armed with adequate information in these areas enables women to participate at consumer policy levels locally, nationally and internationally.

6.1.2 Consumer Information, Knowledge and E-Commerce

There are two aspects to information that require to be addressed viz:

1. Developments in information and communication technologies (ICTs) are redefining the way governments and businesses conduct their transactions with consumers. This is creating unfamiliar scenarios, exposing consumers to much vulnerability.

E-Commerce and e-business transactions such as personal data and security matters, for example identity theft and personal data confidentiality, require new approaches in legislation as well as consumer education. Issues like e-learning will reshape consumer behaviour. The rights of women as consumers in high technology market will need new forms of consumer protection.

2. Perfect information is at the heart of fair trade. Women as consumers must have accurate and free flow of easy to understand information about the quality, quantity, potency, purity, standard and price of goods and services.

It is only with such information that women as consumers are able to make the right decisions to protect themselves and their family against hazardous products and dangerous services. Consumer injuries bring large socio economic costs to families, communities and nations. The data on consumer injuries such as cases of food

poisoning, accidents will enable women to exercise greater care in safety issues in purchasing decisions for their families.

The Roadmap provides various opportunities to enhance women's knowledge on consumer protection. The power of advertising and marketing, which have a powerful influence on consumer behaviour, is an important area of focus for women. Codes and laws are necessary to protect consumers from misleading and dangerous advertising. Women as consumers need to be familiar with the regulatory mechanisms that protect them from fraudulent advertising. Such knowledge will enable them to know the channels to complaint to when an advertisement is false. Advertisers, manufacturers, producers and service providers must provide fair and relevant information.

While comprehensive consumer information is vital, it is equally important that women have the literacy skills to understand and interpret the information that is available.

Improved access to information from government agencies including local authorities is necessary in enhancing consumer protection programmes targeted for women.

The establishment of consumer Information Centres at strategic locations e.g. at local community halls, shopping centres etc. is necessary to promote easy access to information particularly for women.

6.1.3 Digital Divide and Implications on Women

The potential power and benefits of global communication and dissemination are unevenly distributed particularly for women in rural communities. This is prevalent in low income countries. This has created a new phenomenon known as *Digital Divide*.

The internet, more than any other technological tool, can empower consumers in the fields of consumer protection by giving them access to information and networking. Training women to access and use technology should take a community approach with the involvement of government and business. The government should subsidise these training programmes. Corporate initiatives for community training programmes can be supported through tax incentives for employers who can play an important role in building women's technology skills through creating technology-friendly workplaces.

Access to information on funding and expertise should be used to initiate specific programmes for women.

6.1.4 The Media and Influence on Women

The media too has an important role in empowering women as consumers. Media creates conflicting identities for women. It promotes the opportunities and space for women in a globalised mono-culture market place. The same media states women have to be wives and mothers. And thus women lose the fact they are individuals capable of making their own decisions related to consumption. All consumers face daunting challenges in the Information Age. But women because of their heavy responsibilities, lack of access to education, lower income and position in society walk the miles harder in the quest for a better quality of life for their families, communities and themselves.

The AMSs governments need to allocate resources to build the capacity building needs to develop women's programmes in the core consumer areas.

Case Study 1:

Women's Consumer Co-operative Union, Japan

"We refuse to handle products if they are detrimental to the health of our members or the health of the environment." – *Shigeki Maruyama, member.*

Seikatsu Club Consumers' Cooperative Union (SCCC) is an outstanding example of women mobilizing consumer power from safe food, environmental protection promoting local self-sufficiency and sustainability of local agriculture. SCCC traces its foundation back to 1965, when a single Tokyo housewife organized 200 women to buy 300 bottles of milk to reduce the price. In 1968, Seikatsu Club was incorporated as Seikatsu Club Consumers Co-operatives. Since then, Seikatsu Club has expanded its activities under a motto of autonomous control of our lives, including production, distribution, consumption and disposal, the environment, social services and politics. Presently, 29 Seikatsu Club Consumers co-ops (affiliates to SCCC) in over 19 prefectures conduct independent and unique activities.

The Seikatsu Club, which in 2009 had about 320,000 members, is a significant business enterprise. By 2008, the total annual retail sales had reached 87 billion yen (about US\$ 870 million), while the accumulated funds (the investment of members) stand at about 30 billion yen. Since the 1980s, the Club has started over 600 workers' collectives, running restaurants, bakeries, used goods stores, soap factories and caring for elderly people. In 2007, they employed 17,000 staff. In their campaigns against synthetic detergents, Club members realized the importance of the political process and formed independent networks in different prefectures to contest local elections. In 1979 the first network member was elected to Tokyo city government and in 2008 there were more than 141 Seikatsu Club members serving as local councillors.

SCCC has greatly contributed to the reduction of CO₂ emissions by using returnable bottles and containers. 44 food items such as soft drinks, soy sauce, and jams are delivered to members in returnable bottles. In 2007, about 5,690 of containers and bottles were retrieved, which meant a reduction of about 2, 121 t of CO₂. While Japanese consumers face flooding food imports, especially genetically modified food, SCCC declared itself "GMO Free" in 1997. In cooperation with producers, SCCC has inspected every consumer material while proceeding with its own labelling system and the exclusion of GM food, feed and additives.

In 1989, the SCCC won the Right Livelihood Award.

Case Study 2:**Women and Food Security from Senegal**

The Association Senegalaise pour la Defence de l'Environnement et des Consommateurs (ASDEC) is one of the very active organisations in the region. It responds in effective, non-traditional ways to myriad consumer problems. One of the urgent issues the association dealt with was a chronic food crisis. Women from the area return home from the market with empty baskets because money for the day's shopping was not enough – traders at the market have doubled commodity prices. Other traders will only sell cooking oil if the customer also buys rice from them. Still others say they have no rice, cooking oil or tomatoes to sell.

In reaction, the women of ASDEC and members of a community development group called *Jigeeen Ak Jabootam* (Women and Their Families), located in the suburbs of Dakar, formed self-help cooperatives to buy wholesale goods and redistribute them to their members at prices they are able to control.

The women thus created jobs for themselves their husbands and the youths in the area, and provided affordable products for their communities. As a consequence, price speculation, linkage sales and artificial shortages of primary commodities have disappeared from the area.

The above two case studies above show that women, through consumer-related actions, can bring changes to the market economy

6.2 THE ENVIRONMENT

The importance of environmental sustainability for life on Earth has become increasingly clear in recent decades. The United Nations Guidelines for Consumer Protection 1999 affirms that consumers should have the right to promote “just, equitable and sustainable economic and social development and environmental protection.” This provides an important basis for consumer protection regimes to incorporate environmental protection for public well-being.

A stated objective of the UN Guidelines is to promote sustainable consumption, and this should give impetus to align consumer protection policies to the principle of environmental sustainability. It is noteworthy that environmental protection and sustainable development and consumption are major themes of the Guidelines (See Appendix for UN Guidelines).

The Roadmap for an ASEAN Community 2009-2015 covers a substantial area under environmental sustainability. Major themes include transboundary environmental pollution, sustainable development, environmentally sound technology, urban quality of life, environmental policy and information, coastal and marine environment, natural resources and biodiversity, freshwater resources, climate change and sustainable forest management.

Appropriate policies, regulatory regimes and programmes can ensure that consumers in the ASEAN region will enjoy a high environmental quality even as AMSs pursue economic development.

Some examples from around the globe of the benefits for the environment that result from enhancing consumer protection are described here.

6.2.1 Ethical consumption

A growing trend in consumer behaviour is to base consumption decisions in support of businesses that strive to reduce their impact on the environment, promote social justice and enhance corporate social responsibility, among other things.

Fairtrade: The Fairtrade mark is firmly established as one of the world's leading ethical consumer labels. The standard-setting body Fairtrade Labelling Organisations International (FLO) unites 21 labelling initiatives across Europe, Japan, North America, Mexico and Australia/New Zealand as well as networks of producer organisations from Asia, Africa, Latin America and the Caribbean. The FLO International Fairtrade certification system covers a growing range of products including bananas, honey, oranges, cocoa, coffee, cotton, dried and fresh fruits and vegetables, juices, nuts and oil seeds, rice, spices, sugar, tea and wine. FLO International and FLO-CERT is the certification system designed to allow people to identify products that meet agreed environmental, labour and developmental standards.

The Fairtrade Foundation reports that seven out of 10 consumers in the UK recognise the brand, showing that it has moved from being a niche idea to having a major impact on the public's attitude to the things that they buy.

This awareness has translated into sales value of almost half a billion pounds for Fairtrade products in the UK in 2007. Independent academic studies, as well as anecdotal evidence, have demonstrated that Fairtrade is having a positive developmental impact for its producer partners.

The UK survey firm, Research and Markets, estimates that organic food will account for around 30% of the UK's total food market by 2010. Ethical fashion has annual sales surpassing millions of pounds sterling in the UK alone.

The value of FAIRTRADE labelled goods in the UK has risen 1,000% in the last decade and 50% in the past quarter compared to a year earlier.

The UK business information provider, *Datamonitor*, predicts that global consumer conscience will boost fair trade sales in the UK alone to more than €1,000 million by 2012. In 2007, FLO International reported that certified sales amounted to about €2.3 billion worldwide, a 47% increase over 2006. Sales are further expected to grow significantly in coming years: According to the 2005 Just-Food Global Market Review, Fairtrade certified sales are expected to reach \$9 billion in 2012 and \$20 billion-\$25 billion by 2020.

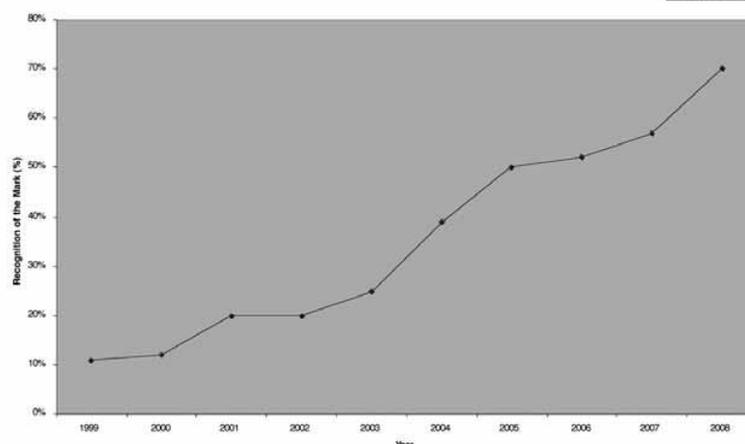


Figure 6.1 Recognition of the Fairtrade Mark 1999-2008

This trend is being seen across much of the developed world's markets. Since 1995, more private international food-related standards have emerged than in the previous five decades combined, according to the Committee on Sustainability Assessment (COASA), based in the United States. Hundreds of labelling and certification schemes now exist.

The expansion of ethical standards has paved the way for fast-growing and lucrative markets that can benefit developing country exporters. While annual global market growth for conventional foods has been at 2% to 4% in recent years, the figures for "sustainability standard" markets ranges from 5% to 100%, according to the Fairtrade Foundation.

A downside to this development is that the proliferation of different labels and standards confuses consumers as well as producers, e.g. causing consumer uncertainty about the meaning of 'carbon-friendly' labelling on supermarket products.

Conversely, companies in certain consumer goods sectors that do not implement sustainable environmental strategies could face a potential reduction of 13% to 31% in earnings by 2013 and 19% to 47% in earnings in 2018.

These findings are the result of a "future scenario" analysis released by the World Resources Institute and A.T. Kearney, Inc. entitled "Rattling Supply Chains: The Effect of Environmental Trends on Input Costs to the Fast Moving Consumer Goods Industry."

The analysis serves as a tool to assess how environmental legislation and climate change could impact businesses in future years and outlines approaches to developing strategies to address these issues.

6.2.2 Sustainable Consumption

Consumer education on the impacts of consumption on the environment results in more responsible use of natural resources through the adoption of green consumption and ethical consumption behaviour. A 2010 survey by the National Geographic Society and international polling firm *GlobScan* on consumer choice and the environment showed that environmentally friendly behaviour among consumers in 10 of 17 countries has increased over the previous year.

The survey looked at consumer behaviours that have an impact on the environment, including their transportation patterns, household energy and resource use, and consumption of food and everyday consumer goods, and what consumers were doing to minimize that impact. American consumers' behaviour still ranks as the least sustainable of consumers in all countries surveyed since the survey's inception in 2008, followed by Canadian and French consumers, though improvement was seen.

The survey found that environmentally friendly consumer behaviour, as measured by the Greendex, has increased from 2008 levels in all but one of the 14 countries polled in both 2008 and 2010, but that suspicion of so-called "greenwashing" — companies making false claims about the environmental impact of their products — is the most significant barrier to further improvement.

6.2.3 Eco-labelling

Many eco-labels and eco-certification schemes have been launched to validate green claims, guide green purchasing, and improve environmental performance standards. Eco-labels and eco-certifications can provide an effective baseline within industry sectors by encouraging best practice and providing guidelines that companies must meet in order to meet a certified standard.

Demand for products with eco-labels is growing, though confusion about which companies are truly environmentally responsible persists. For example, the numbers of eco-labelled organic food products and forestry practices have grown at 20-30% per year since the late 1990s and early 2000s. A 2009 study showed that the green market outperformed the US economy as a whole in 2009 and grew by over 40% from 2004 to 2009.

More than a third of US consumers now say they are willing to pay a premium for eco-friendly products. In some cases this is even higher, for example 53% of US consumers would be willing to pay a premium for a greener television, according to the Consumer Electronics Association. In the UK, according to a 2009 Carbon Trust study, 44% of UK consumers want more information on what companies are doing to be green, but 70% do not feel confident about identifying which companies are environmentally responsible

Several large companies and government agencies have recently announced or improved their green- or eco-purchasing policies, notably Wal-Mart, Office Depot, Mars, Dow, Dell and the US Federal Government. In order to meet their policies, these large-scale institutional purchasers need standards, detailed information, and proof that a product is green.

Eco-labelling programmes have the goal of improving environmental and social conditions through their actions. There is increasing interest from stakeholders to better understand and measure the impacts (the outcomes or effects) of the eco-labelling programmes on the environment, social conditions and/or human health - whether adverse or beneficial.

6.2.4 Sustainable Development

The United Nations Environment Programme's International Panel for Sustainable Resource Management (IPSRM) says billions of people have to take action in order to reverse some of the damaging trends harming the environment and depleting resources.

"Decoupling growth from environmental degradation is the No. 1 challenge facing governments in a world of rising numbers of people, rising incomes, rising consumption demands and the persistent challenge of poverty alleviation," said Achim Steiner, UN under-secretary general and executive director of the UN Environment Programme.

Habitat change, overuse of fertilisers, over-fishing in the oceans and over-cutting of forests are key stress factors on the environment, according to IPSRM. Problems arising from unsustainable resource use include unsafe drinking water, climate change and air pollution are among the factors most influencing human health.

In industrialised nations, housing, travel, food and the use of household appliances account for 70% of environmental impacts. A significant shift in diets away from animal-based proteins toward more vegetable-based foods is needed.

Agriculture accounts for 70% of the world's fresh water use and 38% of land use. Half the crops grown on the planet are fed to animals. The panel noted that there needs to be a dramatic improvement in how energy is used in the home - particularly for heating, cooling and electronic gadgets - and for travel.

6.2.5 Environmentally sound technology

Major changes in the impact of human activity on the environment can arise from the decoupling of economic growth from the carbon economy by the total re-engineering of industrial processes.

For example, the Development Alternatives group posed itself the question whether it would be possible to produce cheap and affordable bricks without increasing the carbon footprint. It created an energy-efficient process which is both within the financial reach of small businesses and at the same time "greener" than traditional brick-producing technologies. Increased use of renewable energy sources arises due to consumer awareness about the environmental impacts of consumption.

Development Alternatives has created a scaled-down paper recycling plant that can fit into a small area and which is capable of recycling 5 to 20 tonnes a month of high quality paper. The plant can fulfil a clear local need, providing poor communities with access to paper that children need for education, for example.

6.2.6 Restoration of the Ozone Layer

A positive example of the impact of changing consumer behaviour on environmental quality is the restoration of the ozone layer, which had been depleted because of the growing use of chlorofluorocarbons (CFCs) in the post-World War II period. A "Scientific Assessment of Ozone Depletion 2010" by 300 scientists indicates that the depletion of the ozone layer has been reversed. The Montreal Protocol phased out CFCs or ozone depleting substances that were widely used for air conditioning and refrigeration. These CFCs are also potent greenhouse gases so their elimination resulted in huge decreases of emissions that cause global warming. The Scientific Assessment estimates that the elimination of ozone depleting substances also eliminated an amount of greenhouse gas emissions "five times larger than the annual emissions reduction target for [2008-2012 period] of the Kyoto Protocol."

6.2.7 Carbon dioxide emissions

The European Union has set target values for CO₂ emissions from new passenger cars and taken measures to ensure that information on the CO₂ performance of new passenger cars is readily available for citizens. A study was conducted to examine the implementation of a Directive relating to the availability of consumer information on fuel economy and CO₂ emissions with respect to the marketing of new passenger cars.

The study showed that a majority of EU citizens recognise that the type of car they own has important impacts on the environment. Surveys show that consumer awareness of a product label does not necessarily mean that the label is used during decision making. Studies show that environmental labels that are too complex can hinder consumer understanding of the information provided, so a proper balance of information tools is important to provide consumers with the information they need without overburdening them. Consumer choice can be limited by too much, or overly complex, information.

Fuel consumption is often only considered in the second round of decision making, and only in regard to financial implications, not environmental. Consumers often narrow car-purchasing decisions down to a specific class, and then apply secondary criteria to make their final decision. Because consumers use two rounds of decision making to narrow down their decisions, it is necessary to build information tools that can be either used specifically in one round, or applied across both decision rounds.

Average running costs are currently used only to a limited degree in combination with the policy in Member States and are calculated to one year. Consumers and NGOs welcome the display of running costs. While NGOs favour a display of full lifecycle cost, consumers tend to focus on the first three years.

New and existing energy labels should always be designed or revised through consumer-based market research. Harmonisation is seen as positive by most stakeholders.

6.2.8 Impact of consumer awareness on environmental quality

In addition, benefits to environmental quality include reduced carbon emissions from growing consumer awareness about the impacts of consumption on the environment, such as concepts like carbon miles, clean development mechanism, carbon sinking and others. Among consumer behaviours that help reduce carbon emissions are choosing land transport instead of air travel for short journeys, tele-working and buying fuel-efficient vehicles.

Reduced deforestation and better forestry management result from more responsible consumption behaviour and pressure on commercial interests to adopt sustainability criteria.

Better environmental quality comes about as a result of the implementation of sustainable development blueprints including the Local Agenda 21 involving consumption choices by the local government, community and business sectors, and international instruments that impact consumption behaviour such as the Montreal Protocol on Ozone Depleting Substances and Kyoto Protocol on Greenhouse Gas Emissions.

Consumers' growing tendency to base purchasing decisions sustainability criteria is encouraging corporations to support environmental protection as part of their corporate social responsibility objectives.

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A: APPENDIX 1**Table A1.1:** Selected Chronological Events in the Development of ASEAN Consumer Protection.

Date	Event	Agenda / Outcomes
2011 (TBC)	4th ASEAN Committee on Consumer Protection (ACCP) Meeting, Brunei Darussalam	-
30 Nov- 1 Dec 2010	ACCP Workshop on “ <i>Roadmapping Capacity Building Needs in Consumer Protection in ASEAN</i> ”. Kuala Lumpur	Roadmap on Capacity Building in Consumer Protection.
23-24 Sep 2010	ASEAN-USFTC Regional Seminar on Consumer Protection. Kuala Lumpur	-
5-6 Aug 2009	2 nd ASEAN Coordinating Committee on Consumer Protection (ACCCP) Meeting. Langkawi	Working Groups within ACCP: ·WG Rapid Alert System & Information Exchange(WG RAPEX) ·WG Cross Border Consumer Redress ·WG Training and Education
June 2008	1 st Meeting of ACCCP. Kuala Lumpur	Proposed Roles and Functions of ACCCP
11-13 July 2007	SEA-CPAN Technical Meeting. Jakarta	Indonesia served as the SEA-CPAN Secretariat for 2007 The formation of the Southeast Asian Consumer Council (SEA-CC)
5-7 Nov 2006	2 nd Southeast Asian Conference on Consumer Protection – Technical Cooperation on Consumer Protection. Bali	Proposed the establishment of the Southeast Asian Consumer Protection Agencies Network (SEA-CPAN) in the interim period to make the preparation for the ACCCP establishment.
16 – 19 Aug 2006	Preparatory SEOM for the 38th AEM. Kuala Lumpur	Malaysia proposed the establishment on ASEAN Coordinating Committee on Consumer Protection.
17 – 19 July 2006	ASEAN SEOM Meeting Singapore	Establishment of ASEAN Coordinating Committee on Consumer Protection
28 – 29 Nov 2005	1 st Southeast Asian Conference on Consumer Protection. Kuala Lumpur	Establishment of ASEAN Coordinating Committee on Consumer Protection
16-18 June 1986	5 th Meeting on the 19 th ASEAN Standing Committee. Manila	Guidelines for ASEAN Relations with NGOs
18-21 May 1983	2 nd ASEAN Consumer Protection Seminar	-
17-18 June 1981	Fourteenth ASEAN Ministerial Meeting. Manila	Joint Communique: the continuing assistance to the Consumer Protection Agency Project
March 1980	ASEAN Consumer Experts visit	Australia to study consumer protection systems,
Oct 1980	ASEAN Seminar on Consumer Protection	proposed extended scope for the ASEAN Consumer Protection Agency
16-17 April 1980	Fifth ASEAN-Australia Forum. Jakarta	Undertook projects under the AAECF, including ASEAN Consumers Protection Agency

Table A1.1: (continued)

24-25 May 1977	Meeting of the ASEAN Directors-General and Officials of the Australian Government. Surakarta,	Satisfaction on the Joint Projects, include establishment of a Consumers Protection Agency.
8-10 July 1975	1 st Meeting on the Establishment of an ASEAN Consumers Protection Agency. Kuala Lumpur	A permanent agency for ASEAN consumers' protection in the ASEAN region shall be established in an ASEAN capital. The agency for consumer protection shall encourage each member country to establish an effective National Consumer Protection Agency.
13-15 May 1975	8 th ASEAN Ministerial Meeting. Kuala Lumpur	Joint Communique: endorsed the continuation of ASEAN cooperation with Australia through such projects as ASEAN Consumers agency, training and education and trade promotion.
7-9 February 1974	23 rd Session of ASEAN Secretaries-General. Kuala Lumpur	To recommend to ASEAN Ministerial Conference the setting up of an ASEAN Consumer Protection Agency
7-9 May 1974	7 th ASEAN Ministerial Meeting. Jakarta	Joint Communique: Proposed projects were the ASEAN Consumers Protection Agency to ensure against misrepresentation and sub-standard quality of goods imported into the ASEAN region

Source: Compiled from Rachagan (2006), ASEAN Secretariat²⁵, Directorate of Consumer Protection Indonesia²⁶.

²⁵ Website: <http://www.ASEANsec.org/>

²⁶ Website: <http://pkditjenpdn.depdag.go.id/>

B: APPENDIX 2Table B2.1: Capacity building needs to support work on consumer protection in General
Index scale from 1.00 to 7.00

Factors	Index Level												Index for all countries
	Malaysia	Indonesia	Philippines	Singapore	Thailand	Vietnam	Total	Consolidated subgroup					
								Brunei Darussalam	Lao PDR	Cambodia	RU Myanmar	Total	
Developing appropriate policies/laws and programmes in relevant areas of work for consumer protection	4.15	5.67	2.26	2.57	4.00	5.00	3.94	6.43	6.33	6.13	-	6.30	4.73
Establishing institutional mechanisms to Implement consumer protection policy:	4.08	5.33	3.11	2.50	4.18	5.50	4.12	5.86	6.50	4.75	-	5.70	4.65
Hiring competent personnel to Implement consumer protection policy:	4.00	4.88	3.11	2.17	4.18	5.40	3.96	6.29	6.40	5.00	-	5.90	4.60
Enforcing laws/codes of conducts that protect consumers	4.64	5.56	3.32	2.57	5.27	5.00	4.39	6.13	6.00	3.86	-	5.33	4.71
Monitoring compliance to laws/codes of conduct	5.00	5.50	3.32	3.14	4.91	5.00	4.48	6.71	5.80	3.57	-	5.36	4.77
Establishing and/or managing redress mechanisms	3.83	5.44	3.16	3.14	3.73	4.83	4.02	6.57	6.20	3.88	-	5.55	4.53
Implementation and evaluation of consumer protection programmes (e.g. price monitoring and market surveillance)	4.58	5.40	3.79	3.00	3.82	4.40	4.17	6.14	6.17	6.13	-	6.15	4.83
Implementing Awareness and educational programmes	4.24	5.09	3.95	3.71	4.00	5.57	4.43	6.25	6.00	6.25	-	6.17	5.01
Research on existing consumer protection laws to cover emerging issues	5.00	5.44	3.05	3.17	4.45	4.00	4.19	6.50	6.40	2.71	-	5.20	4.52
Developing consumer organisations (government linked agencies, NGOs, independent)	3.83	5.38	3.26	2.60	5.20	5.50	4.30	5.86	6.20	3.29	-	5.12	4.57
Good standard development practices related to quality and safety standards	4.00	5.86	2.79	2.40	4.55	4.40	4.00	6.33	6.50	6.00	-	6.28	4.76
Developing strategic plans for consumer protection	4.69	5.43	3.95	3.14	3.82	3.60	4.11	6.50	6.60	6.43	-	6.51	4.91
Training staff on consumer issues (e.g. identification of fraud, counterfeit products, fair trade laws, price fixing, E-commerce etc.)	4.47	5.67	3.63	3.00	3.91	5.25	4.32	6.86	6.40	5.88	-	6.38	5.01
Technical assistance on consumer protection	4.92	4.00	3.26	2.50	4.00	4.75	3.91	6.13	6.50	6.29	-	6.31	4.71
Developing management and leadership skills	4.31	4.90	3.32	2.67	3.36	3.67	3.71	6.71	6.33	5.00	-	6.01	4.47
Establishing legal and institutional mechanisms for consumer representation	4.42	5.29	2.95	2.67	3.91	4.40	3.94	6.50	5.67	4.00	-	5.39	4.42
Information technology management	4.85	4.27	2.95	3.50	4.45	5.00	4.17	6.57	5.83	4.14	-	5.51	4.62
Consumer issues impacting on women	4.17	5.56	2.89	2.33	4.09	5.25	4.05	5.67	6.17	3.13	-	4.99	4.36

Table B2.2. Capacity Building Needs For Consumer Protection In Product Safety And Labelling
Index scale from 1.00 to 7.00

Factors	Index Level												Index for all countries
	Malaysia	Indonesia	Philippines	Singapore	Thailand	Vietnam	Total	Consolidated subgroup					
								Brunei Darussalam	Lao PDR	Cambodia	Myanmar	Total	
Development, implementation and evaluation of consumer protection policies on product safety and labelling	5.00	6.50	4.44	5.00	4.25	4.50	4.95	6.00	5.00	6.00	-	5.67	5.19
Monitoring and enforcement of laws/codes of conduct and mandatory standards on product safety and labelling	5.14	6.50	5.13	5.14	5.50	4.00	5.24	6.33	6.00	2.60	-	4.98	5.15
Good standards development practices	4.43	6.00	4.43	4.43	5.50	2.50	4.55	5.00	6.00	6.20	-	5.73	4.94
Research & Development (R&D) on product safety and labelling	5.00	6.00	3.50	5.00	4.50	4.67	4.78	6.50	6.00	4.40	-	5.63	5.06
Training on development of standards and monitoring compliance	4.50	6.00	5.33	4.50	4.25	3.50	4.68	6.00	5.00	5.80	-	5.60	4.99
Training on product labelling (use of green technology and interpretation)	4.57	6.50	5.00	4.57	4.50	4.00	4.86	6.00	5.00	5.40	-	5.47	5.06
Training on Risk Assessment	5.00	6.00	5.33	5.00	5.00	4.33	5.11	6.50	6.00	5.00	-	5.83	5.35
Development, implementation and assessment of consumer protection programmes on product safety and labelling	4.00	6.00	4.63	4.00	4.25	3.50	4.40	6.00	5.00	5.60	-	5.53	4.78

Table B2.2. (Continued)

Factors	Index Level												Index for all countries
	Malaysia	Indonesia	Philippines	Singapore	Thailand	Vietnam	Total	Consolidated subgroup					
								Brunei Darussalam	Lao PDR	Cambodia	Myanmar	Total	
Establishment of a redress system (e.g. handling complaints on product safety and labelling)	4.00	6.50	5.38	4.00	3.75	4.00	4.61	6.00	5.00	4.00	-	5.00	4.74
Technical assistance on product safety and labelling	4.14	3.50	3.86	4.14	4.25	4.00	3.98	6.00	6.00	5.80	-	5.93	4.63
Establishment of institutional structures for product safety and labelling	3.43	3.50	3.40	3.43	4.50	3.00	3.54	4.00	6.00	4.00	-	4.67	3.92
Information management system (e.g. consumer injuries, complaints)	4.67	4.50	5.00	4.67	4.00	4.67	4.59	6.00	5.00	4.20	-	5.07	4.75
Awareness and educational programmes on product safety and labelling	4.43	6.00	5.43	4.43	4.75	4.33	4.90	6.00	6.00	6.40	-	6.13	5.31
Impact of unsafe products on women	4.00	4.50	5.29	4.00	4.00	4.50	4.38	6.50	6.00	3.40	-	5.30	4.69
Leadership and management development	4.00	2.50	5.00	4.00	4.00	3.00	3.75	7.00	6.00	5.40	-	6.13	4.54
Networking and stakeholder engagement on consumer protection, product safety and labelling	4.57	6.00	4.71	4.57	5.75	4.00	4.93	6.00	5.00	5.40	-	5.47	5.11

Table B2.3: Capacity Building Needs For Consumer Protection In Consumer Credit and Banking
Index scale from 1.00 to 7.00

Factors	Index Level												Index for all countries
	Malaysia	Indonesia	Philippines	Singapore	Thailand	Vietnam	Total	Consolidated subgroup					
								Brunei Darussalam	Lao PDR	Cambodia	Myanmar	Total	
Development, implementation and evaluation of consumer protection policies on consumer credit and banking	3.00	5.54	4.00	7.00	7.00	4.00	5.09	7.00	7.00	-	-	7.00	5.57
Monitoring and enforcement of laws/codes of conduct and mandatory standards on consumer credit and banking	3.50	4.00	4.00	7.00	7.00	5.00	5.08	7.00	7.00	-	-	7.00	5.56
Good standards development practices on consumer credit and banking	3.00	5.50	6.00	6.00	5.50	5.00	5.17	7.00	7.00	-	-	7.00	5.63
Research & Development (R&D) on consumer credit and banking	5.00	2.50	3.00	7.00	6.50	6.00	5.00	7.00	7.00	-	-	7.00	5.50
Training on financial literacy (e.g. managing finance and debt)	2.00	4.00	7.00	6.00	6.50	6.00	5.25	7.00	7.00	-	-	7.00	5.69
Training on ethical finance and banking practices	2.00	3.00	7.00	6.00	6.50	6.50	5.17	7.00	7.00	-	-	7.00	5.63
Training on best practices on access to consumer credit	5.00	5.00	7.00	6.00	6.50	4.50	5.67	7.00	7.00	-	-	7.00	6.00
Development, implementation and assessment of consumer programmes on consumer credit and banking	2.50	5.00	3.00	7.00	6.50	4.00	4.67	7.00	7.00	-	-	7.00	5.25

Table B2.3: (Continued)

Factors	Index Level											Index for all countries	
	Malaysia	Indonesia	Philippines	Singapore	Thailand	Vietnam	Total	Consolidated subgroup					
								Brunei Darussalam	Lao PDR	Cambodia	Myanmar		Total
Establishment of a redress system (e.g. handling complaints) on consumer credit and banking	3.00	4.00	6.00	7.00	6.50	5.00	5.25	7.00	7.00	-	-	7.00	5.69
Technical assistance on consumer credit and banking	3.50	4.00	6.00	7.00	4.50	5.00	5.00	7.00	7.00	-	-	7.00	5.50
Establishment of institutional structures on consumer credit and banking	2.00	3.50	3.00	7.00	5.00	4.50	4.17	1.00	7.00	-	-	4.00	4.13
Information management system (e.g. complaints)	4.00	3.00	3.00	7.00	4.00	3.00	4.00	7.00	7.00	-	-	7.00	4.75
Awareness and educational programmes on consumer credit and banking	3.00	5.50	3.00	6.00	7.00	4.00	4.75	7.00	7.00	-	-	7.00	5.31
Leadership and management development	2.50	2.50	7.00	7.00	6.50	5.00	5.08	7.00	7.00	-	-	7.00	5.56
Networking and stakeholder engagement on consumer protection, consumer credit and banking.	3.50	3.50	6.00	6.00	5.50	2.00	4.42	7.00	7.00	-	-	7.00	5.06

Table B2.4: Capacity Building Needs For Consumer Protection In Environmental Issues
Index scale from 1.00 to 7.00

Factors	Index Level											Index for all countries	
	Malaysia	Indonesia	Philippines	Singapore	Thailand	Vietnam	Total	Consolidated subgroup					Total
								Brunei Darussalam	Lao PDR	Cambodia	Myanmar		
Development, implementation and evaluation of consumer protection policies on environment	5.00	5.25	7.00	0.0	5.33	5.00	4.60	7.00	-	-	-	7.00	4.94
Monitoring and enforcement of laws/codes of conduct on environmental consumer services	4.38	5.25	6.67	0.0	6.67	0.0	3.83	7.00	-	-	-	7.00	4.28
Good standards development practices related to environment and consumer protection	4.38	5.50	6.67	4.00	6.33	6.00	5.48	7.00	-	-	-	7.00	5.70
Research & Development (R&D) on environment and consumer protection	5.33	4.75	6.67	4.00	5.67	6.00	5.40	6.00	-	-	-	6.00	6.20
Environmentally sound technology transfer	5.33	3.75	6.33	4.00	6.67	0.0	4.35	6.00	-	-	-	6.00	4.58
Training on clean development mechanisms	5.17	5.00	6.33	4.00	6.00	6.00	5.42	7.00	-	-	-	7.00	5.64
Training on environmentally preferable products and environmental labelling	5.33	5.00	6.33	4.00	7.00	0.0	4.61	7.00	-	-	-	7.00	4.95
Training on environment and health standards	5.00	4.75	6.67	4.00	7.00	6.00	5.57	7.00	-	-	-	7.00	5.77

Table B2.4: Continued

Factors	Index Level											Index for all countries	
	Malaysia	Indonesia	Philippines	Singapore	Thailand	Vietnam	Total	Consolidated subgroup					Total
								Brunei Darussalam	Lao PDR	Cambodia	Myanmar		
Establishment of a redress system (handling complaints) on consumer protection with regard to environmental issues (e.g. helpline or hotline for reporting of environmental violations)	4.43	4.75	6.67	2.00	6.67	0.0	4.09	7.00	-	-	-	7.00	4.50
Technical assistance on environment and consumer protection	5.00	4.00	6.33	5.00	5.00	6.00	5.22	7.00	-	-	-	7.00	5.48
Establishment of institutional structures on environment and consumer protection	4.67	4.25	6.67	5.00	5.33	0.0	4.32	7.00	-	-	-	7.00	4.70
Information management system on environment and consumer protection	5.33	4.75	6.33	4.00	6.00	6.00	5.40	7.00	-	-	-	7.00	5.63
Awareness and educational programmes on environment and consumer protection	4.83	4.25	6.33	5.00	5.67	0.0	4.35	7.00	-	-	-	7.00	4.73
Environment, trade and development related to consumer protection	5.33	4.75	6.00	3.00	6.00	0.0	4.18	7.00	-	-	-	7.00	4.58
Leadership and management development in development and consumer protection	4.00	4.50	6.67	3.00	3.67	0.0	3.64	7.00	-	-	-	7.00	4.12
Impact of environmental policies on women	4.00	4.25	6.33	4.00	5.33	0.0	3.99	5.67	-	-	-	5.67	4.23
Networking and stakeholder engagement on environment and consumer protection	4.53	4.50	6.67	4.00	6.33	0.0	4.34	7.00	-	-	-	7.00	4.72

Table B2.5: Capacity Building Needs For Consumer Protection In Health Care Services
Index scale from 1.00 to 7.00

Factors	Index Level											Index for all countries	
	Malaysia	Indonesia	Philippines	Singapore	Thailand	Vietnam	Total	Consolidated subgroup					Total
								Brunei Darussalam	Lao PDR	Cambodia	Myanmar		
Development, implementation and evaluation of consumer protection policies on healthcare services	4.00	-	5.50	-	6.00	5.00	5.13	6.50	-	7.00	-	6.75	5.67
Monitoring and enforcement of laws/codes of conduct and mandatory standards on healthcare services	6.00	-	6.00	-	7.00	4.00	5.75	5.50	-	5.00	-	5.25	5.58
Good standards development practices on healthcare services	6.00	-	7.00	-	6.00	0.0	4.75	7.00	-	5.00	-	6.00	5.17
Research & Development (R&D) on consumer protection and healthcare services	7.00	-	6.00	-	4.00	4.00	5.25	5.50	-	4.00	-	4.75	5.08
Training on health needs of women	5.00	-	6.00	-	6.00	4.00	5.25	6.00	-	1.00	-	3.50	4.67
Training on rational use of medicines and supplements	5.00	-	6.00	-	7.00	5.00	5.75	5.00	-	6.00	-	5.50	5.67
Training on patient safety standards	5.00	-	6.00	-	7.00	4.00	5.50	5.00	-	7.00	-	6.00	5.67
Training on ethical marketing of drugs	6.00	-	6.00	-	7.00	5.00	6.00	5.50	-	7.00	-	6.25	6.08
Development, implementation and assessment of consumer protection programmes on healthcare services	4.00	-	4.00	-	6.00	5.00	4.75	6.50	-	2.00	-	4.25	4.58
Establishment of a redress system on healthcare services	3.00	-	5.00	-	4.00	5.00	4.25	5.00	-	5.00	-	5.00	4.50
Technical assistance on healthcare services	1.00	-	3.00	-	4.00	4.00	3.00	3.00	-	1.00	-	2.00	2.67
Establishment of institutional structures on healthcare services	2.00	-	0.0	-	4.00	5.00	2.75	1.00	-	3.00	-	2.00	2.50
Information management system (e.g. data management system)	7.00	-	6.00	-	7.00	0.0	5.00	3.00	-	1.00	-	2.00	4.00
Awareness and educational programmes on healthcare services	3.00	-	3.00	-	7.00	4.00	4.25	5.00	-	7.00	-	6.00	4.83
Leadership and management development	7.00	-	4.00	-	3.00	0.0	3.50	7.00	-	7.00	-	7.00	4.67
Networking and stakeholder engagement on healthcare services	5.00	-	5.00	-	7.00	0.0	4.25	6.00	-	7.00	-	6.50	5.00

Table B2.6: Capacity Building Needs for Consumer Protection In Professional Services
Index scale from 1.00 to 7.00

Factors	Index Level											Index for all countries	
	Malaysia	Indonesia	Philippines	Singapore	Thailand	Vietnam	Total	Consolidated subgroup					
								Brunei Darussalam	Lao PDR	Cambodia	Myanmar		Total
Development, implementation and evaluation of consumer protection policies on professional services	5.75	5.50	-	3.50	6.00	-	5.19	7.00	6.50	-	-	6.75	5.71
Monitoring and enforcement of laws/codes of conduct on professional services	5.57	6.00	-	3.50	7.00	-	5.52	7.00	6.50	-	-	6.75	5.93
Good standards development practices on professional services	3.50	5.67	-	3.50	7.00	-	4.92	7.00	6.50	-	-	6.75	5.53
Research & Development (R&D) on consumer protection and professional services	5.67	5.50	-	4.50	7.00	-	5.67	7.00	6.50	-	-	6.75	6.03
Training on consumer rights and protection related to services of legal or medical professionals	5.33	5.50	-	4.00	7.00	-	5.46	7.00	6.50	-	-	6.75	5.89
Training on monitoring compliance of codes of conduct and ethical practices related to the legal and medical professionals	5.67	6.50	-	4.00	7.00	-	5.79	7.00	6.50	-	-	6.75	6.11
Training on best practices in redress mechanisms to handle medical and legal services cases	6.50	6.50	-	4.00	4.00	-	5.25	7.00	6.50	-	-	6.75	5.75
Development, implementation and assessment of consumer protection programmes on professional services	5.67	6.00	-	4.00	3.00	-	4.67	7.00	6.00	-	-	6.50	5.28
Establishment of a redress system (e.g. handling complaints) on professional services	5.50	6.50	-	4.00	3.00	-	4.75	7.00	6.00	-	-	6.50	5.33
Technical assistance on consumer protection on professional services	6.33	5.50	-	4.00	3.00	-	4.71	7.00	6.00	-	-	6.50	5.31
Establishment of institutional structures for consumer protection on professional services	5.67	6.00	-	4.00	2.00	-	4.42	7.00	6.50	-	-	6.75	5.20
Educational programmes on consumer protection and professional services	6.33	6.00	-	4.00	7.00	-	5.83	7.00	6.00	-	-	6.50	6.06

Table B2.7 Preferred Forms Of Assistance For Capacity Building
(Index scale from 1.00 to 7.00)

Forms of Assistance	Index Level											Index for all countries	
	Malaysia	Indonesia	Philippines	Singapore	Thailand	Vietnam	Total	Consolidated subgroup					Total
								Brunei Darussalam	Lao PDR	Cambodia	Myanmar		
Training on fund-raising	4.70	4.56	5.07	4.60	3.40	6.50	4.81	5.25	6.50	5.50		5.75	5.12
Training on management/leadership	5.18	4.78	4.53	3.60	3.10	4.75	4.32	6.57	6.60	4.63		5.93	4.86
Manuals and toolkits	4.60	3.90	5.81	3.20	3.55	4.60	4.28	6.50	6.00	5.38		5.96	4.84
Web-based products (such as e-forum, e-courses)	5.43	3.40	4.73	4.00	3.18	4.50	4.21	6.33	5.80	2.63		4.92	4.44
Networking assistance	5.54	4.11	4.85	3.80	5.00	4.50	4.63	6.43	6.20	4.63		5.75	5.01
Twinning or partnership with agencies or institutions within the region	5.71	5.10	5.00	4.60	4.73	5.00	5.02	6.25	6.50	4.00		5.58	5.21
Seminars/Workshops/Forum/Symposium	5.06	4.11	5.69	4.00	4.09	4.71	4.61	6.00	6.50	4.25		5.58	4.93
Staff exchanges/Secondment	5.23	4.78	4.69	4.40	4.27	4.25	4.60	6.13	6.00	4.00		5.38	4.86
Study and exposure visits	5.22	4.33	5.43	4.17	4.36	4.75	4.71	6.22	6.33	4.25		5.60	5.01
Experts	5.50	4.44	5.08	3.57	4.36	5.00	4.66	6.43	6.00	4.50		5.64	4.99
Internship	5.15	4.00	4.89	3.40	3.36	4.80	4.27	6.33	6.00	3.50		5.28	4.60
Certified programmes on consumer studies (Diploma, Degree)	4.83	4.20	5.09	4.20	3.00	4.25	3.56	6.29	6.17	4.38		5.61	4.25
Information Technology system (e.g. database management)	5.86	3.70	5.13	4.40	3.64	5.25	4.66	6.29	6.00	4.25		5.51	4.95

