

## Visit Report

# Meeting of the Third Ad hoc Expert Group on the UNGCP

*Organised by*

**UNCTAD at Palais des Nations, January 21-24, 2015, Geneva**

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The Delegation of the Government of India participated in the third ad hoc expert group on the United Nations Guidelines on Consumer Protection (UNGCP). The Delegation comprised Kesav Desiraju, Secretary to Government of India, Department of Consumer Affairs and Head of the Delegation; A K Jain, Deputy Secretary, Bureau of Indian Standards and National Test House; and George Cheriyan, Director, CUTS International.



## Background



The sixth United Nations Conference to review all aspects of the set of multilaterally agreed equitable principles and rules for the control of restrictive business practices (Geneva, on November 08-12, 2010) invited United Nations Conference on Trade and Development (UNCTAD) to convene two expert meetings on consumer policy between the review conferences other than the Inter-governmental

Group of experts on competition law and policy.

Following the first expert meeting held on July 12-13, 2012, in the ad hoc expert meeting on consumer protection: The interface between competition and consumer policies, it was decided that the UNCTAD should begin a consultation process on the revision of UNGCP. As a result of this consultation and call for contributions, the UNCTAD Secretariat produced the implementation report on the UNGCP (1985-2013).

In the second ad hoc expert meeting on ‘Consumer Protection’ held on July 11-12, 2013 there were discussions on the implementation report and its conclusions, and creation of four working groups was recommended (on e-commerce, financial services, other issues and implementation) that would feed into the UNCTAD Secretariat report on the modalities for the revision of the UNGCP to be submitted to the seventh UN review conference to assess all aspects of the set of multilaterally agreed equitable principles and rules for the control of restrictive business practices set.

The third ad hoc expert meeting on consumer protection, which was planned under the regular work of the Secretariat and arising from the Doha Mandate was convened on January 22-23, 2015 to discuss the modalities report and its conclusions, in addition to the issues that

have been highlighted by the member states and the stakeholders as candidates for a proposed inclusion in the revision of the UNGCP.

All the UNCTAD member states were invited to participate and collaborate, as well as Civil Society Organisations (CSOs), private companies and individuals, particularly focussed on consumer protection.

## Day I Proceedings

After an informal networking, the meeting commenced and Alpana Dubey, Counsellor (Economic), Permanent Mission of India, Geneva accompanied the delegation during the inaugural session. Nathakie Homobono, Director General, Directorate for Competition Policy, Consumer Affairs and Fraud Control, Department of Economic Affairs, Government of France and Chair of the Working Group chaired the meeting. After opening remarks by the Chair, Hassan Qaqaya-HQ, Head, Competition Law and Consumer Policies Branch, UNCTAD made a presentation on modalities and highlights of the draft resolution. Desuraju, on behalf of India made a statement expressing broad consensus on the content of the draft revised resolution/UNGCP, and the proposal for setting up an international institutional mechanism. He also mentioned that the Indian Consumer Protection Act is also in the process of revision in order to address new challenges faced by consumers.

Followed by the opening session, discussions were channelled through 'Structured Sessions', in order to allow for detailed discussions on the draft resolution for revision of UNGCP. The country delegations and consumer organisations provided their valuable comments and recommendations. Cheriyan participated in discussions on Working Group on E-commerce and Financial Services. While welcoming most of inclusions in the present draft under M E-Commerce (71-74) and Financial Services (75-79), following were some of the points raised by Cheriyan.



- Lack of mechanism to deal with cross border issues/complaints related to e-commerce; and
- Omission of issues, such as remittances (high cost, lack of transparency/competition etc.) and responsible lending under financial services.

Cherian while participating in discussions supported the setting of Inter-governmental Group of Experts (IGE) for providing the institutional machinery. He said, without a mechanism for enforcement, there is no purpose in the revision. He stated that a similar IGE exists for competition issues, and the Secretariat could replicate the same for consumer protection as well.

## Day II Proceedings

The Secretariat presented the revised draft after incorporating comments from the previous day. All the issues raised by Indian delegation, and many others were included in the revised draft (*the revised resolution is attached*). While participating in discussions on the resolution, Desiraju suggested including ‘governments’ also along with ‘business and professional bodies’, under Point No. 3 of II Scope of Application.

The resolution and the revised UNGCP were again discussed at length. During the discussion, Cheriyan welcomed the inclusion. Though the US and Japan continued their opposition to the IGE. It was decided that there will be time up to February 16, 2015 for member states and others to submit written submissions. The Secretariat will revise the draft again based on the comments/suggestions. The final draft will be discussed again in a meeting on March 25, 2015, along with Inter-governmental Expert Meeting on ‘*Cyber laws and Regulations for Enhancing E-commerce including Case Studies and Lessons Learned*’ to be held in Geneva on March 25-27, 2015.

Guillermo Valles, Director, Division on International Trade in Goods and Services and Commodities (DITC), UNCTAD made concluding remarks.

Generally, there was a wide consensus during the meeting, particularly regarding the importance of protecting the consumers worldwide, and the need to face new challenges, such as e-commerce, financial services etc. However, much more is still to be done in terms of agreement among the developed countries, which appeared more convincing regarding the existing mechanisms and not supportive of the new mechanism proposed and, therefore, stand just for a mere recognition of general principles; and developing countries, which demanded for more concrete approach and wider support from the international community and governments.

On the side lines, Cheriyan also met several country delegations and other important delegates. Hugh Stevenson, Dy. Director for International Consumer Protection, USFTC; Koroleva Anna, Chief Expert, Department of Cooperation with WTO and Organisation for Economic Cooperation and Development (OECD), Moscow; Rainer Metz, Dy Director General, Consume Policy, Federal Ministry of Justice and Consumer Protection, Germany etc. were few among them.



### Visit to CUTS, Geneva

On January 21, 2015 Cheriyan visited CUTS Centre in Geneva and met with the Centre Director, Rashid S Kaukab and Julien Grollier, Assistant Programme Officer regarding the outcome of the meeting held. Besides, Cheriyan also had thorough discussions with Rashid on various other important issues.