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Commission on Trade in Goods and Services,
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Expert Meeting on Consumer Interests,
Competitiveness, Competition and
Development
Geneva, 17-19 October 2001

RECOMMENDATIONS

of the

**Regional Seminar on Consumer Protection, Competition Policy,
Competitiveness and Development**

Cartagena de Indias, Colombia

23-25 July 2001

Introduction

1. The Regional Seminar on Consumer Protection, Competition, Competitiveness and Development for Latin America and the Caribbean organized by the United Nations Conference on Trade and Development (UNCTAD) and the Colombian Department of Trade and Industry was held in Cartagena de Indias, Colombia, from 23 to 25 July 2001. The meeting was held pursuant to the resolution adopted in September 2000 at the Fourth United Nations Conference to Review All Aspects of the Set of Multilaterally Agreed Equitable Principles and Rules on Restrictive Business Practices, which sought support from UNCTAD and others for the competition and consumer protection authorities. According to the same resolution, UNCTAD should study the feasibility of establishing a United Nations World Competition and Consumer Day as a means of publicizing benefits to consumers of competition policy and educating the public at large.

2. The meeting was attended by representatives of the public and private sectors and non-governmental organizations from Colombia and other countries in the region, and by representatives of international organizations such as the Economic Commission for Latin America and the Caribbean (ECLAC), the Food and Agriculture Organization of the United Nations (FAO), the United Nations Development Programme (UNDP) and regional institutions such as the Caribbean Community (CARICOM).

3. At the meeting, the relationship between consumer protection policy, competition, competitiveness and development was analysed, with the focus on the countries in the region. Issues related to consumer and competition policy at the national, regional and multilateral levels were discussed. There was in-depth discussion of how far globalization affected consumer policy. The presentation of examples of developments in competition and consumer protection legislation and its implementation was much appreciated by participants. The importance to regional suppliers and to consumers of historical tradition and the existence of a shared culture was stressed, as the background against which the content and implementation of consumer protection and competition laws could be defined.

4. The discussions also covered countries' relevant experiences in matters of consumer protection and competition policy in different sectors, such as technology or public utilities, making it possible to highlight common experiences in running the regulatory bodies in the area of consumer protection.

5. The meeting also offered the opportunity for an enriching exchange on the relevance of the World Trade Organization (WTO) agreements with regard to consumer protection policy, the effects of the FAO/World Health Organization (WHO) Codex Alimentarius in the area of food and the importance of standardization in promoting better product quality and reducing the risks of using products.

RECOMMENDATIONS

6. In accordance with the seminar's objectives, participants agreed on the following recommendations for following up on the issue of consumer protection in the Latin American and Caribbean region:

- (a) Request UNCTAD to support Governments in the implementation of the guidelines on consumer protection and, resources permitting, to ensure they are monitored;
- (b) Urge UNCTAD to set up a consumer protection Web site containing information on the current regulatory framework and on the projects under way in various countries, and also on their integration agreements and international agreements;
- (c) Call on UNCTAD to provide support, resources permitting, for the development of model consumer protection laws in the areas of advertising, unfair competition and fair contracts, among other things, for the use of the countries in the region;
- (d) Recommend that UNCTAD should, as part of its work on competition and consumer protection, intensify its training activities and identify the research centres working on the issue in the region;
- (e) Request UNCTAD to cooperate in the development of national quality systems for consumer protection and safety;
- (f) Seek the support of UNCTAD in promoting cooperation between associations and institutions involved in consumer protection in the region through the establishment of information networks making full use of electronic technology, for which it should be able to rely on the active involvement of the countries and organizations concerned;
- (g) Invite the Governments of the countries in the region to adopt consumer protection measures and to provide consumers and consumer organizations with more, easily accessible and understandable information;
- (h) Promote the use of efficient mechanisms by companies in the countries of the region to enable consumers to assert their rights directly to the supplier, particularly through alternative dispute settlement mechanisms (such as conciliation services, customer defence organizations in companies and/or unions);
- (i) With regard to institution-building, recommend that the countries in the region should ensure that the regulatory and supervisory bodies responsible for the market are independent, specialized and efficient, and assess the advantages and disadvantages of establishing multifunctional bodies to provide a comprehensive picture of consumer protection and competition policy;
- (j) In order to encourage States to adopt a preventive role in consumer protection, monitor consumer protection policies in the region, identifying the main causes of violations of consumer rights, with a view to proposing joint solutions involving the State, companies and consumers in order to reduce consumer-related problems;
- (k) Encourage the countries of the region to work together on questions of industrial property, standardization, unfair competition, advertising and electronic commerce and their relation to consumer protection;

(l) Identify, in the multilateral and regional discussions taking place (for example in the Free Trade Area of the Americas, WTO, the Andean Community of Nations, the Southern Common Market (MERCOSUR), CARICOM and the Central American Integration System), opportunities for the countries in the region to work on consumer protection. In this respect, references to consumer interests in existing agreements should be studied with the aim of defending those interests in the current discussions and reflecting them in future agreements;

(m) Take part in consumer awareness programmes and cooperate in this respect with State consumer protection bodies, paying particular attention to consumers on low incomes;

(n) Encourage cooperation with FAO to promote joint activities with regard to consumer protection, particularly in relation to food issues and the FAO/WHO Codex Alimentarius;

(o) Recommend that studies be undertaken into international financial issues and their effect on consumption;

(p) Encourage consumer organizations to take part in the discussions on technical standards in standardization bodies;

(q) Encourage the use of alternative dispute settlement mechanisms as a flexible, unbiased and legally binding way to settle disputes arising from consumer relations and from market relations;

(r) Maintain permanent contact between State bodies and consumer organizations, especially in relation to decisions and rulings;

(s) Establish a system of cooperation in investigations which enables countries to determine the responsibility of electronic-commerce companies and impose relevant sanctions;

(t) Propose the establishment of an UNCTAD group of experts on consumer protection and the regulation of public services.
