Commission: UNCTAD

Sponsors : Kenya, Malaysia, Pakistan, Portugal, Singapore, South

Africa, Thailand, Turkey, United Kingdom, United States of

America, Vietnam, Zimbabwe

QUESTION OF: ADDRESSING THE LEGAL AND POLITICAL CHALLENGES OF CONSUMER PROTECTION IN DIGITAL COMMERCE

The General Assembly,

Aware that an increasing number of consumers have access to the internet, engage in e-commerce, which provides easier and faster access to products and services, but unfortunately are vulnerable to irrelevant and inaccurate information, as well as misleading and deceptive advertising and conduct,

Alarmed that consumer data can be made accessible to unauthorized third parties without their knowledge and consent, when payments are made online, and such malpractices alone cause a global estimated loss of \$6.7 billion,

<u>Expressing deep concern</u>, since laws are yet to be introduced and reinforced to protect the statutory rights of e-consumers when they are making purchases online, to ensure that they are refunded should the products turn out to be faulty or damaged,

<u>Bearing in mind</u> that anonymous traders may create misleading advertisements due to lack of clear and sufficient information about their identity and location as well as their goods, services, prices and guarantees,

<u>Deploring</u> the difficulties faced by e-buyers in reaching the online suppliers when returning purchases goods, claiming refunds both for faulty or undelivered products,

Noting with deep concern that the non-existence of official records and accurate information of online trading businesses enable perpetrators to work in teams, to conceal their location and commit cybercrimes,

Reiterating that consumers facing a host of challenges, has given rise to the need to adapt existing legal and regulatory frameworks to the particular requirements of e-commerce,

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- 1. Requests that online payments regardless to the payment mechanism to be reliable and secured to protect consumers' privacy and data by the help of international digital commerce security institutions;
- 2. <u>Suggests</u> continuing to build consensus, at national and international levels, on core consumer protection to enhance consumer welfare;
- 3. <u>Further requests</u> regional and international cooperation to fight unfair, fraudulent and deceptive commercial practices and to overcome legal limitations impending consumer protection authorities from taking action in the event of cross-border breaches of consumer protection laws;
- 4. <u>Appeals</u> to governments to promote consumer education and ensure the effective enforcement of relevant laws to make businesses engaged in digital commerce to disclose all necessary information;
- 5. <u>Notes</u> that the customer is king, and a multi-facetted approach is necessary to provide them with meaningful access to fair, easy to use, transparent and effective mechanisms to resolve domestic and cross border e-commerce disagreements in a timely manner and obtain redress, as appropriate, without incurring unnecessary cost or burden;
- 6. <u>Recommends</u> communication, cooperation and where appropriate, the development and enforcement of joint initiatives at the international level among governments and stakeholders;
- 7. <u>Further reminds</u> that a marking should be affixed on a product so as to get the guarantee that it meets safety, health and environmental protection requirements as well as it conforms to the local standards of the country;

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- 8. <u>Calls upon</u> the reduction of tariffs on products that do not have adverse effect on a country's environment or economy so that consumers can easily import them at cheap prices;
- 9. <u>Invites</u> member States to encourage competition in digital commerce in order to prevent any form of monopoly which can exploit consumers in terms of high prices and provision of poor quality products;
- 10. Reminds member States that trade related disputes are resolved by independent judges at the World Trade Organization through a dispute resolution process to ensure that customers are not threatened or subjected to discrimination.