

POLICY DIALOGUE ON BUILDING A DIGITAL AND FINANCIAL WORLD CONSUMERS CAN TRUST

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In a free market, it is in the interest of producers to maximize utility. Most of the time however, consumers are the losers in this marketplace. One of the reasons is that consumers are only heard and not attended to. The cases of abuses and violations exist due to regulatory gaps and inactions.

CUTS Accra, therefore took the opportunity of World Consumers Rights Day, 2017 to engage stakeholders to deliberate on consumer welfare issues that emanates from the digital and the financial sectors.

“The contemporary national and global environment provides much opportunity for innovation and inventiveness in both the digital and financial Worlds. Regulators in these sectors must combine adequate consumer protection with empowerment of imaginative enterprise and entrepreneurship, “said by Professor Justice Samuel Date-Bah, retired Justice of the Supreme Court of Ghana and board Chair, CUTS Ghana.

Mr. Appiah Kusi Adomako, the Centre Coordinator for CUTS Ghana in his presentation indicated that consumer protection law is required to protect consumers of financial services and one way of achieving this is for banks to improve on its security architecture such as online calls to verify checks.

He mentioned that mentioned high interest rate, unfair contract terms on loans and mortgages, ATM fees, hidden charges, security issues, privacy concerns, among others as the main challenges facing the consumer in the financial sector.

An intern at CUTS Ghana, Mr. Isaac Yaw Obeng in his presentation on “Building a Digital World Consumers can Trust” mentioned low internet speed, phishing scam, spam messages, trust issues in online services and products, data protection and security issues, high cost of data, credit card fraud, photoshop, identity theft and unrestricted adult content as the main welfare issues bordering today’s consumer in the digital world.

Going forward, Isaac Yaw Obeng stated categorically that, in order for the welfare needs of the consumer in the digital world to be ensured, the following rights should be adhered to namely the right to access digital media information, right to secure networks and services, right to privacy and data protection, right to barrier-free access and equality and right to access neutral networks as the main consumers rights in the digital sector.

Mr. Robert Ahomka Lindsay, a Deputy Minister at the Ministry of Trade and Industry, Ghana stated in his remarks that the ministry is taking three key steps in addressing consumer related welfare issues. The steps are: (1) data protection (2) Reviewing all regulations associated with industries (3) greater entrepreneurship and SME development. Emphasizing on welfare issues in the digital world, the minister suggested that that the there is the need to build consumer confidence in technology. He also emphatically mentioned that competition and consumer laws are being keenly looked at by the ministry.

Commenting on the various presentations done by the Accra Centre, the Deputy Trade Minister advised that focus should be placed more on the five consumer rights in the digital world as stipulated in the presentation if CUTS Accra can succeed in its policy dialogue.

Mrs Teki Akwetteh Falconer, Executive Director at Data protection Commission, Ghana, in her remarks stressed on privacy, integrity and trust as the main issues bordering the consumer in the digital world. She emphasized that her outfit is working assiduously to ensure that that data protection is linked with consumer protection law, registration of all networks is done to empower and protect the consumer and application developer is regulated.

Dr. Settor Amedeka, the Head of payment Systems at the Bank of Ghana in his remarks emphasized that the core aim of the Bank of Ghana in relation to consumer welfare is to ensure financial and price stability. He reiterated that without the aforesaid, consumers lose confidence in financial services. He also mentioned that the institution is working tirelessly to ensure that violations are remedied, sanctions are applied and the consumer is given a voice in the financial sector. In doing so, the Central Bank has charged all banking and other financial institutions to set up a complaint centre to collate all the views and concerns of consumers. A redress mechanism has also being put in place through the establishment of information centres either in banking halls or online to inform consumers of their rights. The good news to the consumer is that, the redress mechanism being put in place can be accessed for free. On the issue of data protection, Dr. Settor Amedeka stressed that user identity code provided by banks should ensure that all information related to Treasury bill accounts are safe and secured.

Mr. Kafui Tsekpo , a representative of consumers during the discussion section mentioned that trust issues in the both the digital and financial worlds, wide gap between interest rate on loans and interest on savings as well as lack of transparency and information as the major issues bedevilling consumers in the both sectors being discussed.

In reaction to the issue of lack of transparency in the financial sector raised by Mr. Kafui Tsekpo, Dr. Settor Amedeka of the Central Bank of Ghana, stressed that all data including bank charges are publicised through digital financing but lack of culture of reading and inadequate financial literacy are the major problems facing most consumers.

In his contribution during the discussion section, Mr. Benard Yeboah from the Ministry of Trade and Industry emphasized that rivalry between competitors is the main reason why companies or firms do not want to put certain information in the public domain and hence inure to the disadvantage of the consumer.

Mr. Paul Ababio of UT Bank Ghana, in his contribution stressed that bank charges nowadays are high because of the upward surge in service costs.

Mr. James Lartey from the Food and Drugs Authority mentioned that, all the blame should not be shifted to regulators because consumers themselves sometimes do not upholding their right. He compared the situation with a consumer in the UK (who knows and uphold his right) and that of Ghana who may know his right but does not uphold it.

In his reaction to Mr. James Lartey, Professor Justice Samuel Date-Bah admitted that although what the former said could be true, we should always tread cautiously when analysing a situation between two different people from different cultural and social backgrounds.

Ms. Theda Wricketts , a lawyer from Bentsil –Enchill law firm in Ghana, in her remarks said that there is an urgent need for a consumer protection law as consumers in Ghana have exploited for far too long. She stressed further that information should be provided for consumers and education on consumer rights should be intensified.

Agnes Q. Papafio from the Attorney –General’s office, in her reaction to a question posed by Ms. Theda Wricketts concerning when consumer protection law in Ghana would be passed said work is in progress to have the law drafted.

The World Consumer Rights Day Celebration is observed on 15th March every year worldwide to generate awareness about the need for consumer rights. CUTS has been advocating for implementation of consumer policy law.

This policy dialogue was attended by Ministry of Trade and Industry, Data Protection Commission, Bank of Ghana, Attorney General’s Office, German Development Cooperation (GIZ), representatives from a law firm, officials from various banking institutions, representatives from telecom industries, Participatory Development Associates (PDA), Food and Drugs Authority, Coalition for Citizen’s Rights, Vivo Energy Ghana, CELD, among others.