

Ghana's Consumer Protection Law is Long Overdue!

Background

Over the past ten years, there have been various attempts by the government to get to the Consumer Protection Law passed. Four presidents have come and gone yet the progress has painstakingly been slow. It is evidently clear that the absence of Consumer Protection Law in the country has contributed to the widespread and deliberate abuse of consumer rights. Consumer rights are like fundamental human rights which the state has to promote, protect and safeguard through the enactment of laws and its enforcement.

Imagine, a consumer walks into a shop to buy an item and takes it home and changes his or her mind. In about 99% of scenarios in the country, the consumer will not be able to return it because the shop has clearly written: **goods sold are not returnable**. Because of this phenomenon of not being able to return goods bought or cancel services after signing the contract, our marketplace has become a junkyard for inferior goods.

The state has not done much when it comes to consumer protection. The current government promised in Chapter Two, Section XII, page 31, its 2016 Manifesto "to protect Ghanaians from inferior goods, products, and services, and facilitate the passage of a Consumer Protection Law." Ghanaians are yet to see the law passed. Veteran consumer

protection advocate Mr Kofi Kapito has appeared on almost every electronic media in the country to advocate for the passage of the law. It is discouragingly disheartening the small pace at which the government is handling the process. The seeming lack of interest in the law by the government can be seen to have stalled the progress. Whilst the government has on many occasions promised to protect Ghanaian businesses from foreign firms, nothing of that sort has been said or done to protect the interest of 30 million Ghanaians who buy and consumer goods and services.

The United Nations Conference on Trade and Development (UNCTAD) has been urging all countries to put in place a functional consumer protection regime which will protect consumers and as well as enshrining their rights in the market place. The presence of consumer protection places a duty of care on businesses to ensure that whatever goods and services that they produce are free from harm, fit for purpose and does not seek to mislead consumers. In its absence, producers (business) only seek to maximize their profits without balancing it with the consumer's aim of maximizing utility.

CUTS Accra with the support from the BUSAC Fund is, therefore, advocating that the government prioritizes the passage of the Consumer Protection Law.



Impact of Challenges on the Ghana Consumers

- Consumer rights are violated at will and whim because there is practically no incentive for a business to respect the rights of consumers since no legal framework enshrines such rights.
- Remedies exist for only those who go to court. The high cost of litigation does not support the cost-benefit analysis
- Consumers not getting value for money as inferior goods have littered the market and consumers are unable to return them after paying for them
- Consumer protection regulations and laws are scattered in numerous provisions. The National Communication Act, Public Utility Regulatory Commission (PURC), Food and Drugs Administration (FDA), Ghana Standards Authority (GSA) and National Petroleum Authority (NPA) all have some clauses on protection and this can sometimes lead to jurisdictional gridlocks among regulatory institutions on consumer protection issues
- Ghana has become a junkyard of inferior goods and services
- Absence of the law means that there is no incentive for Ghanaian businesses to live up to international standards.

What will the Consumer Protection Law do to Ghanaians?

- It will empower, protect and enhance the welfare and interest of the consumer
- It will promote a fair, transparent and efficient marketplace,
- It will provide a consistent and effective consumer protection framework,
- It will prohibit certain unfair practices,
- It will promote fair business practices and responsible consumer behaviour
- It will improve consumer awareness, education and information



Current State of the Consumer Protection Bill

- Ministry of Trade and Industry has completed its wide stakeholder consultation and public engagement and is finalizing the draft bill to be subsequently sent to Cabinet for approval.

Action Points for Government

- We propose that the action be quickened to ensure that the law is passed before the 2020 polls



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