

COUNCIL**Council****DRAFT RESOLUTION OF THE COUNCIL RENEWING AND REVISING
THE MANDATE OF THE COMMITTEE ON CONSUMER POLICY****(Note by the Secretary-General)****JT03450224**

1. This document sets out a proposal to renew and revise the mandate of the Committee on Consumer Policy (hereafter the “Committee” or “CCP”), as approved by the Committee at its 97th Session on 10-11 April 2019 [[DSTI/CP\(2019\)6](#)], as well as the results of the Committee’s review of the continuing relevance of its substructure and of the relevance and impact of the legal instruments under its responsibility [[DSTI/CP/M\(2019\)1](#)].
2. The CCP was created in 1969 to examine questions relating to the development and strengthening of consumer policy and to facilitate information exchange and international co-operation in this area. The mandate of the CCP was last revised in 2014 and expires on 31 December 2019 [[C\(2014\)144](#)].

Proposed Mandate Revision

3. At its 97th Session in April 2019, the Committee approved minor editorial changes to its mandate, which reflect the orientation coming out of:
 - The adoption in March 2016 by the Council of the Recommendation on Consumer Protection in E-commerce [[OECD/LEGAL/0422](#)];
 - The 2016 Declaration on the Digital Economy: Innovation, Growth and Social Prosperity (Cancún Declaration) [[OECD/LEGAL/0426](#)];
 - The OECD’s *Going Digital* project; and
 - Recent and current topics addressed by the Committee, which include, for example, online ratings and reviews, consumer data, online advertising, consumers in the smart home, and consumer protection in peer platform markets.
4. In addition, building on the 2010 OECD Consumer Policy Toolkit,¹ and the 2014 Recommendation on Consumer Policy Decision Making [[OECD/LEGAL/0403](#)], the Committee has developed work aimed to improve the evidence base for policy decision-making, drawing on the insights from behavioural and information economics, and is working on the development of an experiment on personalised pricing.
5. More specifically, the few proposed changes to the CCP’s mandate are as follows [[DSTI/CP\(2019\)6](#)]:
 - The terms “digital economy” have been replaced with “digital transformation”, which more fully captures the current digital environment, and is consistent with the findings of the OECD’s *Going Digital* project [5th Recognising clause, and para 2(iii)];
 - A new reference to behavioural insights and information economics has been included [para 2(i)(d)], in line with the CCP’s recent work in this area, and consistent with a broader focus coming out of the OECD’s New Approaches for Economic Challenges work stream;
 - A new mid-level objective has been added to highlight the importance of promoting the work to businesses [para 2(ii)];

¹ OECD (2010), *Consumer Policy Toolkit*, OECD Publishing, Paris, <https://doi.org/10.1787/9789264079663-en>.

- In addition, a few minor technical updates and corrections are proposed: including the reference to the more recent Resolution of the Council in the preamble and the date of the mandate is extended to 2024 [para B];
 - Finally, the order of the mid-level objectives [para 2] has been reversed to better reflect the fact that the CCP devotes greater efforts to policy work [para 2(i)] than consumer awareness [para 2(iv)].
6. It is proposed that the revised mandate, as set out in the draft Resolution in the Annex to this document, should remain in force for a period of five years, until 31 December 2024. The draft Resolution would supersede all previous provisions concerning the mandate of the Committee. The Committee would return to the Council to propose a revision to its mandate, should there be any major developments that warrant such a change.

Review of the Continued Relevance of the Substructure

7. In accordance with Rule 21 c) of the OECD Rules of Procedure, the CCP also reviewed its current substructure, namely the mandate and main contributions of the Working Party on Consumer Product Safety (WPCPS).

8. The WPCPS was created in 1972 to exchange information and develop analysis on trends and challenges associated with the safety of non-food consumer products. The WPCPS produced a number of analytical reports on consumer product safety, most of which were used to support the development, between 1977 and 1989, of six OECD legal instruments pertaining to consumer product safety². The WPCPS was terminated in 1997, following a reduction in the resources allocated to consumer policy.

9. In 2009 and 2010, taking into account the growing complexity of global supply chains and the resulting increased difficulty for consumer product safety authorities to monitor and address product safety risks in increased international trade (including e-commerce), the CCP explored ways to strengthen product safety at domestic and global levels. The discussion resulted in the release of a ten-point action plan [[DSTI/CP\(2010\)3/FINAL](#)] calling the international product safety community to further enhance information sharing, market surveillance and enforcement, and providing suggestions for the creation, in the short, medium and longer terms, of databases aimed at pooling information on product recalls, and injury data. The WPCPS was re-established in 2010 to take the lead in implementing the ten-point plan, in co-operation with other relevant international organisations.

10. Since then, the WPCPS has greatly contributed to the development and promotion of robust consumer product safety policy frameworks across jurisdictions. In October 2012, the OECD *GlobalRecalls* portal³ was created under the responsibility of the WPCPS to

² Recommendation concerning the Establishment of Data Collection Systems Related to Injuries Involving Consumer Products [[OECD/LEGAL/0160](#)], Recommendation concerning the Safety of Consumer Products [[OECD/LEGAL/0183](#)], Recommendation concerning Recall Procedures for Unsafe Products Sold to the Public [[OECD/LEGAL/0192](#)], Recommendation concerning Risk Management and Cost-Benefit Analysis in the Product Safety Field [[OECD/LEGAL/0196](#)], Recommendation concerning Safety Measures Taken in the Interest of Children [[OECD/LEGAL/0208](#)], Decision-Recommendation on the OECD Notification System on Consumer Safety Measures [[OECD/LEGAL/0254](#)].

³ The OECD's *GlobalRecalls* portal is available at: <https://globalrecalls.oecd.org>.

help measure and maximise the impact of product recalls globally. The database currently includes more than 22 000 recalls notifications from 45 OECD Members and non-Members.

11. When reviewing the effectiveness of the work of the WPCPS during its 97th meeting, the CCP concluded that the WPCPS supports effectively the achievement of its objectives as defined in its mandate and the CCP's Programme of Work and Budget. Highlighting the high quality and global impact of the WPCPS' outputs, including those on recall effectiveness, online product safety and new technologies, the Committee acknowledged its continued relevance [[DSTI/CP/M\(2019\)1](#)].

Review of the Relevance and Impact of the Legal Instruments

12. As part of the OECD-wide Standard-Setting Review [[C/MIN\(2018\)11](#)], committees are required to briefly discuss the relevance and impact of the instruments under their responsibility, and to identify possible follow-up actions to be undertaken, such as a revision or review of implementation in the context of their five years' mandate renewal (similar to the evaluation of the continuing relevance of their substructure(s)). In case follow-up actions are decided by committees, a sequenced timeline could be set up for the follow-up actions to minimise the resources required.

13. There are currently 12 OECD legal instruments under the responsibility of the CCP, with the Recommendation on Cross-Border Co-operation in the Enforcement of Laws against Spam [[OECD/LEGAL/0344](#)] under the joint responsibility of the CCP and the Committee on Digital Economy Policy (CDEP). More specifically, there are:

- Five Recommendations and one Declaration (developed between 1998 and 2016), are related to general consumer protection.
- One Decision-Recommendation and five Recommendations (developed between 1977 and 1989), constitute the "OECD consumer product safety *acquis*".

14. The CCP approved its Standard-Setting Action Plan (hereafter the "Action Plan") on 30 November 2016 [[DSTI/CP\(2016\)11/REV1](#)]. The Action Plan included proposed actions for 10 legal instruments (7 reviews⁴, the monitoring of implementation of 2 instruments⁵ and 1 transfer of responsibility⁶) – see Figure 1. At this stage, the reviews and the transfer have been completed and the monitoring of implementation of the Recommendation on Consumer Policy Decision Making [[OECD/LEGAL/0403](#)] is under way; a monitoring of the implementation of the Recommendation on Consumer Protection in E-commerce [[OECD/LEGAL/0422](#)] is scheduled for 2021.

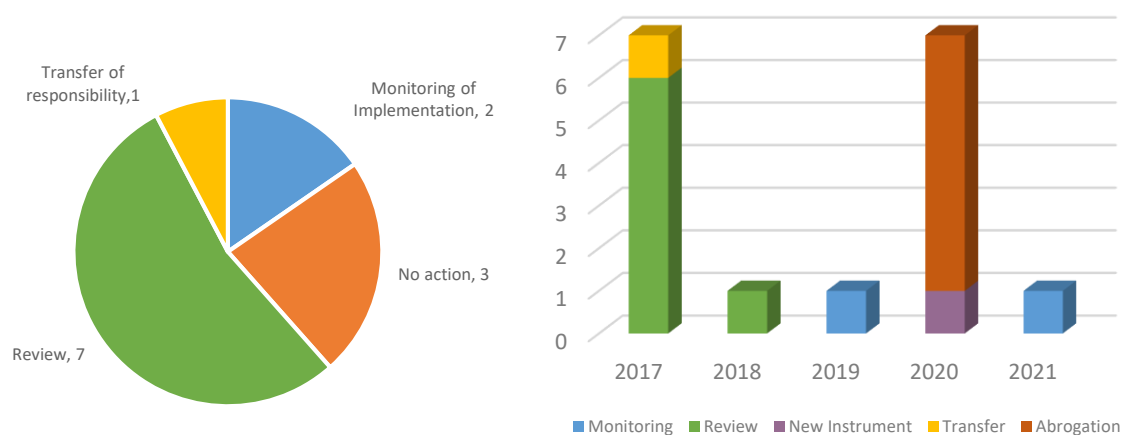
⁴ The Recommendation concerning Guidelines for Protecting Consumers from Fraudulent and Deceptive Commercial Practices across Borders [[OECD/LEGAL/0317](#)] and the OECD consumer product safety *acquis*.

⁵ The Recommendation of the Council on Consumer Policy Decision Making [[OECD/LEGAL/0403](#)] (scheduled for 2019) and the Recommendation on Consumer Protection in E-commerce [[OECD/LEGAL/0422](#)] (scheduled for 2021).

⁶ At its July 2017 meeting, the Council transferred the responsibility over the Recommendation concerning Consumer Protection in the Field of Consumer Credit to the Committee on Financial Markets (CMF). The Recommendation is currently under revision by the CMF.

15. Since the approval of the Standard-setting Action Plan, the WPCPS agreed to consolidate and update the OECD Consumer Product Safety *acquis* in areas such as e-commerce, market surveillance, product recalls, and global awareness and education [see [DSTI/CP/CPS\(2018\)8/REV1](#) for the latest draft]. To that effect, the WPCPS is working on a comprehensive draft Recommendation on Consumer Product Safety, to be finalised by end 2020 (see [DSTI/CP/CPS\(2018\)8/REV1](#) for the latest draft).

Figure 1. Summary of CCP's standard-setting activity



Proposed Action

16. In light of the preceding, the Secretary-General invites the Council to adopt the following draft conclusions:

THE COUNCIL

- a) noted the document [C\(2019\)144](#);
- b) adopted the draft Resolution of the Council renewing and revising the mandate of the Committee on Consumer Policy as set out in the Annex to document [C\(2019\)144](#), which will enter into force on 1 January 2020.

ANNEX

DRAFT RESOLUTION OF THE COUNCIL RENEWING AND REVISING THE MANDATE OF THE COMMITTEE ON CONSUMER POLICY

THE COUNCIL,

HAVING REGARD to the Convention on the Organisation for Economic Co-operation and Development of 14 December 1960;

HAVING REGARD to the Rules of Procedure of the Organisation;

HAVING REGARD to the Revised Resolution of the Council on Partnerships in OECD Bodies [[C\(2012\)100/REV1/FINAL](#)];

HAVING REGARD to the Resolution of the Council of 12 November 1969 establishing a Committee on Consumer Policy [C(69)143], whose mandate was last revised and renewed in 2014 [[C\(2014\)144](#)];

HAVING REGARD to the recommendation of the In-depth Evaluation of the Committee on Consumer Policy [[C\(2012\)132](#)] and [[C/M\(2012\)14](#)], Item 215 i);

RECOGNISING the economic and social importance of consumer policies in Members and their close relationship with general economic and trade policies;

RECOGNISING the need to minimise economic costs to consumers and to facilitate the integration of consumer policy considerations into economic and related policy areas;

RECOGNISING the need to improve the functioning of markets globally and to provide effective protection to consumers;

RECOGNISING the vital role that empowered consumers can play in improving economic performance and driving innovation, productivity and competition, and the important role that consumer policy plays in educating and informing consumers;

RECOGNISING the dynamism and growing importance of the digital transformation to consumers, and the resulting need to adapt existing policies, and develop new policies, to address emerging issues;

RECOGNISING that the implementation of such policies can be encouraged by information exchanges and co-operation between Members and with Partners, as well as with other international organisations;

HAVING REGARD to the proposed revision of the mandate of the Committee on Consumer Policy [[C\(2019\)144](#)];

DECIDES:

A. The Committee on Consumer Policy (hereinafter the “Committee”) is renewed with the following revised mandate:

I. Objectives

1. The overarching objective of the Committee is to promote consumer welfare, by developing policies and measures that are aimed at:
 - i) Empowering consumers to make well-informed decisions that benefit their interests, and
 - ii) Protecting consumers from misleading, deceptive, fraudulent and unfair commercial practices and from unsafe products, while providing effective recourse when problems arise.
2. The mid-level objectives are:
 - i) Improving consumer policies and related enforcement measures, by:
 - a) Exchanging information on effective consumer policy and enforcement actions;
 - b) Working together to enhance consumer protection from fraudulent and deceptive commercial practices, within and across borders;
 - c) Developing policy recommendations to assist governments, businesses and civil society in identifying and addressing consumer issues requiring attention;
 - d) Further developing and applying the Consumer Policy Toolkit, with attention to strengthening evidence-based policy making, applying behavioural insights and information economics, and improving measurement in support of research and analysis.
 - ii) Exploring ways to improve business outreach, to help them understand their responsibilities to consumers and for legal compliance;
 - iii) Enhancing awareness and knowledge of the challenges facing consumers, by regularly sharing information on issues and developments in the consumer area, and by carrying out research and analysis on key topics, with particular attention to those pertaining to the digital transformation, consumer product safety and consumer economics;
 - iv) Exploring ways to improve consumer education and awareness of issues, by enhancing their knowledge of their rights and responsibilities, and by supporting mechanisms that facilitate dispute resolution and redress;
3. In order to achieve these objectives, the Committee will actively promote its work within and outside the OECD, including with Partners and other international organisations (including regional ones).

II. Co-ordination arrangements

4. In carrying out its work, the Committee shall:
 - i) Collaborate closely with other relevant subsidiary bodies of the OECD.
 - ii) Consult with stakeholders, including BIAC and TUAC, consumer organisations, such as Consumers International, the private sector, academia and other international organisations, including the International Consumer Protection and Enforcement Network (ICPEN).

B. The mandate of the Committee shall remain in force until 31 December 2024.