



# VOLUNTARY PEER REVIEWS OF COMPETITION AND CONSUMER PROTECTION LAW AND POLICY

## SHARING BEST PRACTICES FOR DEVELOPING COUNTRIES



### GLOBAL CONTEXT

Competition is fundamental to the success of any market economy. It stimulates a country's attractiveness as a business location and fosters economic efficiency, productivity, innovation and economic growth. Competitive markets offer a wider range of products with lower prices and increased quality, to the benefit of consumers. Trade liberalization cannot reach its full potential if anticompetitive practices between private companies remain, raising barriers to market entry and leading to high levels of market concentration and potential abusive behaviour. Therefore, it is essential for all countries to assess and, if necessary, improve the effectiveness of their competition laws and policies.

UNCTAD has supported developing countries and countries with economies in transition through a process of voluntary peer reviews of their competition laws and policies since 2005. The unique development perspective and experience of UNCTAD in working with competition authorities worldwide serves as a guarantee that the voluntary peer review process focuses on improving competition laws and policies in a way that fosters competitiveness and addresses countries' development needs and current economic challenges.

Consumer protection law and policy play a crucial role in ensuring that consumers are well-informed and well-protected against unfair and fraudulent business practices and will be provided with appropriate remedies if deceived. Voluntary peer reviews of consumer protection law and policy are a new global exercise that has been mandated to UNCTAD in United Nations General Assembly resolution 70/186; no such process exists at the international level in the field of consumer protection.

UNCTAD has supported developing countries and countries with economies in transition through a process of voluntary peer reviews of their consumer protection laws and policies since 2016. The reviews aim to improve consumer protection legislation and enforcement, to ensure that countries can address current challenges in providing effective protection to consumers and to raise awareness of relevant stakeholders of the importance of a consumer protection culture.



### HOW DOES THE PROGRAMME WORK?

UNCTAD voluntary peer reviews of competition and consumer protection law and policy allow developing countries to benchmark their legislative framework against international best practices. They also provide an opportunity for reviewed countries to self-evaluate their enforcement performance. The reviews are conducted using an interactive peer review method that promotes knowledge-sharing and mutual understanding between competition authorities and consumer protection agencies at the regional and international levels through formal relations and informal networks and encourages both North–South and South–South cooperation.

The reviews identify major legislative, administrative and procedural changes that might be necessary for the optimum functioning of the competition and consumer protection frameworks. They give insights into country-specific constraints, including political and economic problems that restrict effective enforcement of the laws in question. The reviews serve as a basis for peer review examination during the annual meetings of the intergovernmental groups of experts on competition and consumer protection law and policy.

Voluntary peer reviews also provide an opportunity for the reviewed country to benefit from UNCTAD capacity-building and technical assistance in implementing the review recommendations. When necessary, development partners are invited to join efforts in implementing the technical cooperation and capacity-building project concerned. Ensuring ownership by the country undergoing review is essential to the sustainability of a peer review.



### RESULTS AND IMPACTS AT A GLANCE

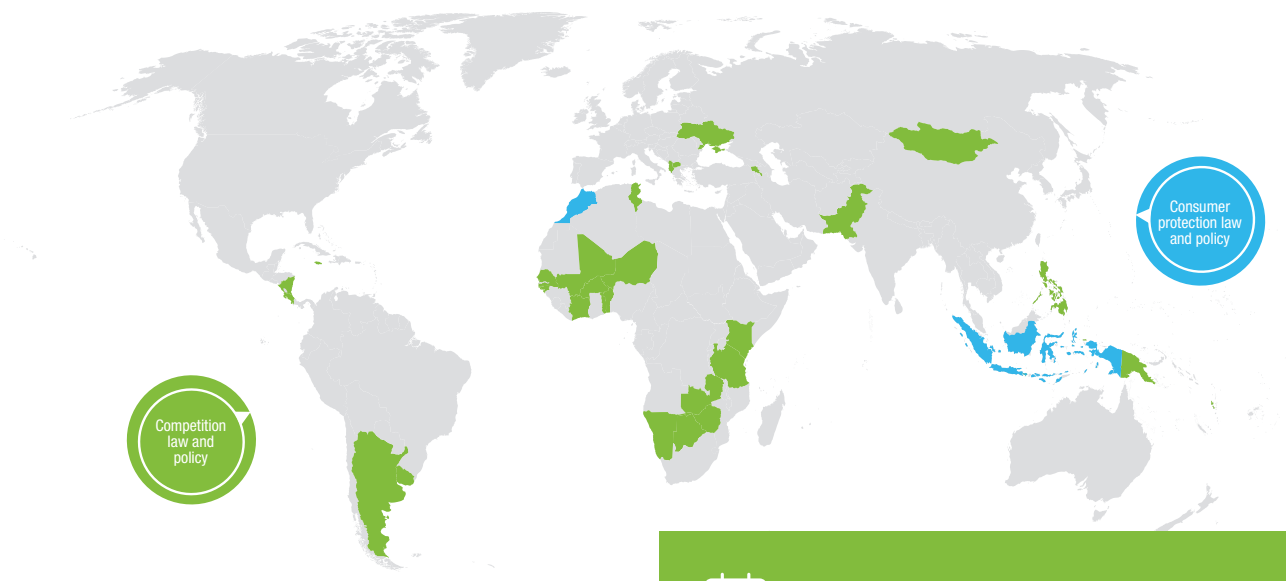
Global competitiveness assessments carried out annually by the World Economic Forum show that competition climates have improved in 10 countries following their peer review processes, facilitated by UNCTAD – an indication of UNCTAD contributions to competition law and policy.

Review reports have been used in amending legislation (at the level of draft laws), for advocacy and in establishing a new training agenda for staff. According to an external evaluation in 2015 of voluntary peer reviews on



competition law and policy that were carried out by UNCTAD, the reviews have been successful in many ways, namely, by delivering high-quality and practical recommendations with clear road maps for members to follow, increasing the capacities and impacts of the work of agencies and raising awareness among other national and international stakeholders. All respondents indicated that one of the main reasons for undertaking a peer review was the high level of the technical assistance provided.

### Voluntary peer reviews completed by 2019



#### Brief highlights

*The first-ever Voluntary Peer Review of Consumer Protection Law and Policy of Morocco (2018), facilitated by UNCTAD, was followed by a two-day dissemination event in Rabat, with the active involvement of all relevant stakeholders. The Government of Morocco had by then amended its legislation according to the report's recommendations, illustrating the contribution of this exercise to the improvement of consumer protection in the country and setting a unique and high-level example in the region.*

*The Peer Review of Competition Law and Policy of Botswana (2018) was followed by a dissemination event in Gaborone with the participation of relevant stakeholders, including from the Ministry of Investment, Trade and Industry. The Government of Botswana is considering the ways and means of designing a road map towards combining the two functions of competition and consumer protection under one authority as recommended in the peer review report. The peer review exercise affirmed that as the Government moves towards cost-saving measures, it is planning to boost the competition authority to include consumer protection functions, as opposed to establishing a new institution to handle these matters.*



#### PROGRAMME FACTS AND FIGURES

**Start date:** competition law and policy: since 2005; consumer protection law and policy: since 2016

**Reviews per year:** 2 (1 on competition law and policy, and starting in 2018, 1 on consumer protection law and policy)

**Completed peer reviews:** competition law and policy: 24 (including 1 of the West African Economic and Monetary Union plus Benin and Senegal, 1 tripartite review of the United Republic of Tanzania, Zambia and Zimbabwe)

**Consumer protection law and policy:** 2 (Morocco and Indonesia)

**Countries or regional organizations assisted:** competition law and policy: 25 countries, West African Economic and Monetary Union; consumer protection law and policy: 2 countries

**Upcoming reviews:** competition law and policy: West African Economic and Monetary Union; consumer protection law and policy: Peru

**Website:** [unctad.org/competition/peer-reviews](http://unctad.org/competition/peer-reviews)



**Sustainable Development Goals addressed:**  
Directly: 8, 10  
Indirectly: 9, 17



#### DONORS/FUNDING SOURCE (2014–2019)

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