



NATIONAL CONSUMER COMMISSION

a member of **the dti** group

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Ditho tsa CPF tse teng,

Baahi ba Free State, dumelang.

It is an honour to be part of this beautiful day as we launch World Consumer Rights Day 2021. This day comes at a time when South African families are grappling with the devastating effects of COVID-19 pandemic. It has always been our view, as it our mandate that no consumer should be subjected to unscrupulous suppliers. It was for this reason that consumer protection bodies united and formed a Consumer Protection Forum (CPF).

About the CPF members

The CPF is a voluntary body of regulators in the consumer protection space and its purpose is to establish a platform in terms of which the NCC; Provincial Consumer Protection Authorities and most Regulatory Authorities within consumer protection environment are able to consult, cooperate, seek counsel and engender a coordinated and consistent approach in

the protection of interests and welfare of consumers through co-ordinated strategies, agreements and other interventions. Members of CPF are the National Regulator for Compulsory Specifications (NRCS), Independent Communications Authority of South Africa (ICASA), National Credit Regulator (NCR), Council for Medical Aid Schemes (CMS), Financial Sector Conduct Authority (FSCA), Energy Regulator of South Africa (NERSA), Provincial Consumer Protection Offices, Consumer Goods and services Ombud Scheme (CGSO), Motor Industry Ombud Scheme of South Africa (MIOSA).

About WCRD

World Consumer Rights Day (WCRD) is celebrated annually on March 15th to highlight issues of consumer protection. Since 1983, 15th March has been celebrated over the world as WCRD. It is the very rights that form the basis of South Africa's Consumer Protection Act No.68 of 2008 (CPA). This year we are commemorating WCRD from the today (9th) -15th March, under the theme "***Protecting Consumers During COVID-19***"

Molao wa tokelo tsa bareki (eleng CPA) is a shared space by all consumer protection bodies. For CPA to be live, it requires all involved to work together to ensure that consumers know their rights and responsibilities. While Covid-19 unfortunately limits our ability to host outreach programmes in-person and on a bigger scale, we are glad that the Free State is hosting the launch. The Provincial Consumer Affairs Office has made strides in establishing the Consumer Affairs Court. Sena se bolela hore bareki ba Province batla fumana tharollo ho ditlitlebo (complaints) tsa bona, without waiting for the NCC. Ke maikarabello (Responsibilities) a CPF ho netefatsa hore di complaints tsa bareki di a rarollwa. MEC, NCC e batla hore dilemong tse mmalwa tse tleng, moreki ka mong o tseba ditokelo tsa hae. Sena se tla ba fa monyetla ho rarolla ditlitlebo tsa bona. We want redress for consumers, we want to see consumer safety and a harmonised environment for consumers, as contemplated in the CPA.

The role of Consumer Protection Bodies

MEC, the reason for the establishment of the CPF was to ensure that consumers are heard. We have resolved that by virtue of the provisions of the CPA and in the spirit of cooperative governance, the establishment of a co-ordinating structure is now mandated to be established in terms of the following:

- Section 83 (1) (a) of the CPA, namely, to “to co-ordinate and harmonise the functions to be performed by one or more provincial consumer authorities...”;
- Section 83(3)(a) namely, “may engage with a provincial consumer protection authority in cooperative activities of research, publication, education, staff development and training;
- Section 83(4), namely, “at the request of the relevant MEC of a province, or a provincial consumer protection authority, the Commission may engage with that Provincial protection authority in co –operative activities to detect and suppress prohibited conduct or offences in terms of this act, if there are any reasonable grounds to believe that any such conduct may be occurring within the province, or across its provincial boundaries”;

In this forum we have resolved that consumers get guidance either in lodging their complaints or their queries.

Protecting Consumer During COVID-19

MEC, we have seen a number of challenges during this pandemic. These challenges made it difficult for consumers to enjoy their rights as stipulated in the CPA. Some of the challenges brought by the pandemic in the lives of consumers **include online fraud** (moo bareki ba rekang online feela ba se fumane thepa ya bona), especially with “businesses that were promoted on social media platforms. We call it “fraud” as ordinary people started advertising on social media with the aim of stealing consumer’s money. Bareki ba tshwanela ho hlokomela sena: the Act is very clear on a transaction between two individuals. **There is nothing any of the regulators can do when equals trade between themselves**, we cannot even investigate a transaction with a “business” that does not exist. Hlokomela pele o reka online.

We have seen and investigated a number of pyramid schemes masquerading as either financial investments, grocery stockvels and so forth. Remember, pyramid schemes are illegal, and when we investigate that scheme, participants, recruiters, promoters and owners

of the scheme are investigated. When it comes to pyramid schemes, we get alerted when the scheme has collapsed or about to collapse. This gives us little or no time to set to get preservation orders or prosecute those involved. As consumers, we need to be honest about our dealings. Remember, if it is too good to be true, it is too good to be true.

We noticed that unscrupulous suppliers saw the demand of essential goods as fertile ground for their unjustifiable actions. The Commission investigated a number of suppliers who took advantage of vulnerable consumers by unfairly increasing their prices during this period, we referred them to the Tribunal and sought fines against those found guilty of unconscionably increasing their prices; the Tribunal concurred and issued judgements accordingly.

There are lessons learnt from this pandemic. Consumers are relying more and more on digital platforms either to communicate or transact. Some scammers are always trying to outsmart us. Our commitment to Consumer protection must keep up with the pace of these scammers. We can only do that by arming ourselves with the CPA and other Acts designed to protect consumers. **Consumer protection is in our hands.**

This week, the NCC and CPF members will host a series of webinars to educate consumers about their rights and responsibilities. We will be going out to different communities. MEC, our team of investigators will be on the ground, inspections directed mostly towards the motor and textile industries to ensure compliance with the provisions of the Act.

MEC, distinguished guests, as we launch the WCRD 2021, I urge all CPF members in particular; and everyone here to continue educating consumers about their rights and responsibilities. This week is indeed an opportune time for government to shine a spotlight on consumer challenges and for consumers to understand their rights.

MEC, as the NCC we continue to pledge our support to the Provincial office for the betterment of the consumers. We would only declare victory when the bulk of our consumers are able to fight for their rights when faced with unscrupulous suppliers.

Keya leboha