



INDEPENDENT CONSUMER AND COMPETITION COMMISSION

CONSUMER PRODUCTS CONSULTATIVE COMMITTEE SECRETARIAT

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REPORT NO: 2/2005 ON THE CONSUMER PRODUCT CONSULTATIVE COMMITTEE (CPCC)

INTRODUCTION

This will be the 3rd *Consumer Product Consultative Committee* (CPCC) meeting since its establishment in July 2005 and the 1st CPCC meeting for 2006.

CPCC is part of ICCC's focus to involve key players in the industries as technical advisors and partners in making sure that consumer protection issues such as product safety are addressed properly in PNG for ICCC to make informed decisions.

ISSUES DISCUSSED AT CPCC MEETING

In the second CPCC meeting speakers were invited from several enforcement agencies to present the legislative and regulatory requirements of services they provide;

- *Presentation by IRC- Customs on Ban of Counterfeit and Pirated Goods.*
- *Presentation by PNG Power Limited on Electrical Standards.*
- *Presentation by ICCC on Consumer Protection Related Legislations.*

Issues raised in the meeting during the presentations and discussions are as follows;

- *High cost of PNG coastal shipping rates compared to International shipping rates.*
- *A lot of illegal electrical products in the PNG market.*
- *Not enough teeth in the current Electrical Technical Regulations to deter illegal use and sale of electrical products.*
- *Need for a collaborative effort in addressing consumer protection issues amongst different jurisdictions/agencies.*

PROGRESS

Following the meeting, a number of important actions were taken;

(a) Electrical Product Standards

"Friend to Businesses, Friend to Consumers"

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PNG Power in liaison with ICCC during the Festive/Christmas period conducted joint inspections throughout the locality of ICCC's four regional offices in Port Moresby, Lae, Mt. Hagen and Kokopo. The inspections concentrated on the distribution and sale of Christmas lights and electrical appliances that did not comply with the standard requirements.

The joint inspection program enhanced the spirit of cooperation between ICCC and PNG Power. It also created lot of awareness for the business houses, distributors and suppliers of electrical appliances and products.

(b) *Food Sanitation Council Training*

ICCC was invited to the Food Sanitation Council training on the Introduction of the Food Sanitation Regulation held in Madang from 28 November to 2 December 2005.

The revised Food Sanitation Regulation has taken into account those issues raised in the last 2 CPCC meetings with regards to the regulatory requirements of food products such as labeling, expiry dates and the HACCP (Hazard Analysis and Critical Control Point) of food products.

(c) *Consumer Related Legislation*

ICCC has identified a couple of consumer related legislations that relates more to the protection of consumer's rights but are not been enforced at all due to them been listed under a different government department and agency. Three such legislations are as follows;

- (i) *Commercial Advertising Act* which relates to the protection of consumers' rights to correct information and is currently under the Prime Minister's Department.
- (ii) *Fairness of Transaction Act* which relates to fairness in all business transactions and is currently under the Prime Minister's Department.
- (iii) *Trade Practices Act* which relates to applying best and proper trade practices and is currently under IRC Cuistoms.

(d) *Review of PPL Legislation*

The PPL is now reviewing its technical regulation to apply stiffer penalties to deter defaulting traders who continue to by pass the PPL Approval Testing.

(e) *Shipping Industry Review on Freight Charges*

ICCC has been tasked by the government to undertake a major review on the PNG Airline and PNG Coastal Shipping industries to identify impediments and competitive constraints in these industries which includes amongst others, freight costs and charges.

OBSERVATION

From the issues raised and the discussions, there appears to be a need for;

- (i) Greater consultation between the relevant industries and the policy makers in drafting or amending legislations that affects consumers.
- (ii) Greater need for all stakeholders, especially those who are members of the CPCC to take the lead in addressing issues that are raised in the CPCC meetings and that falls within their jurisdiction.

CONCLUSION

The CPCC process is becoming a useful avenue through which important consumer related issues can be discussed between industries, the Commission and other government authorities. As PNG matures as a nation and takes its place in the international community, consumer related issues will gain more recognition.

I must thank the representative of the industries for their contributions and commend the CPCC Secretariat for providing the necessary support.

THOMAS ABE

Commissioner/CEO

CPCC Chairman