

Consumer as a stakeholder

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Modern consumer protection laws and regulations are based on the concept of protecting the rights of the weaker party. The experience of most countries and international human rights institutions shows that regulation aimed at protecting consumer rights identifies the consumer as the most unprotected (in an economical and informational sense) party in contractual relations with goods producers/sellers, work performers, and service providers.

Respectively, the main objective of consumer associations is to mitigate inequalities. To achieve this, consumer associations perform various functions, e.g.:

- a. Conduct surveys and studies to investigate the issues faced by consumers, including the impact of government policies on consumers and awareness level
- b. Educate consumers and provide them with independent information (including their own inspections and studies outcomes) about goods and services to support informed choices and responsible consuming
- c. Handle consumer complaints and advise consumers on ways and means of settling disputes and obtaining redress for violated rights (such activities may include participation both in dispute resolution bodies and in the public interest process on behalf of consumers).

However, the crucial function of consumer associations is representation, empowering consumers to convey their views and perspectives to market players and authorities. This means establishing a dialogue with government and business to inform, persuade and negotiate on behalf of consumers. To achieve this, consumer associations can use various formats to promote their views: from lobby groups in parliament and coordinated media campaigns to drives for signatures, petitioning, even boycotts and rallies.

The deplorable experience of Ukraine shows that governmental consumer protection bodies have gained the “fame” of being corrupted. As a result, the authority responsible for the implementation of consumer protection policy has recently undergone transformations and reforms. As an extreme anti-corruption measure in this domain, a moratorium was introduced on

inspections by consumer protection agencies. The same applies to the non-governmental sector: some consumer associations were formed as part of corruption structures, as evidenced by numerous media stories about the detention of consumer associations “activists” for extorting undue benefits from the business. All this has brought discredit upon consumer movement in our country. On the other hand, we can identify a number of the best known and most active consumer associations working in the interests of consumers:

Name	Registration Year	Website/social media page	Number of chapters/ offices	Areas of activity
CONSUMERS UNION OF UKRAINE NGO	2004	http://consumerunion.org.ua/ https://www.facebook.com/consumerunion.com.ua	34	Educational activities Market monitoring and research Working with consumers Representation
ALL-UKRAINIAN ASSOCIATION FOR CONSUMER PROTECTION “CONSUMER CONFIDENCE” NGO	2012	https://vgo-dovira.org/ https://www.facebook.com/spozhivchadovira/	-	Educational activities Product research Representation
Union of Citizens' Associations “All-Ukrainian Federation of Consumers PULS”	2010	https://www.facebook.com/groups/ucf.pulse	-	Outreach to students Representation

Under Association Agreement (Title V “Economic and Sector Co-operation”, Chapter 20 “Consumer Protection”, Article 415), Ukraine undertook to ensure a high level of consumer protection and to achieve compatibility of the Ukrainian consumer protection system with that of the EU Member States.

Unfortunately, there are still doubts about the implementation of these obligations by Ukraine. This is evidenced by the “Concept of State Policy on Consumer Protection for the period until 2020”, approved by Cabinet of Ministers of Ukraine Resolution No. 217-p of March 29, 2017 (three years after the signing of the Agreement), which clearly states that “Consumers in Ukraine are not protected by the state and the law as a result of the declarative nature of proclaimed rights and the lack of mechanisms for their implementation and restoration.”¹

Therefore, it is advisable to update Annex XXIX to the Association Agreement to ensure the development of the appropriate documents for implementation. In addition, a list of actions should be identified that would significantly accelerate the pace of harmonisation of national legislation on consumer protection.

¹ [1 https://zakon.rada.gov.ua/laws/show/217-2017-%D1%80#Text](https://zakon.rada.gov.ua/laws/show/217-2017-%D1%80#Text)