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"BE THE LEADING INSTITUTION IN THE PROTECTION OF CONSUMERS AND THE COMPETITION PROCESS FOR THE PROMOTION OF SOCIO-ECONOMIC WELFARE"

FTC NEWSLETTER

COME VISIT US AT: 3RD FLOOR, BLOCK B, UNITY HOUSE , VICTORIA
VOLUME 4, ISSUE 21

MR. GEORGES TIRANT
CHIEF EXECUTIVE OFFICER

Dear Readers,

During the 2nd semester, , the Commission maintained its consumer protection programme which involved issues relevant to consumer welfare. This involved conducting limited educational programmes for consumers, businesses and other organisations and investigating complaints from consumers with alleged contravention of their rights under the Consumer Protection Act, 2010.

During the same semester, the department received a total of 172 complaints with the highest number of complaints received November (33). The total number of complaints received represents a 3.61 % increase compared to the same period in 2015, which was 166.

DID YOU KNOW?

The small rise in the number of cases received can be due to several reasons such as consumer education done by posters and adverts on SBC television, Other authorities doing their own campaigns targeting consumer awareness, businesses advising consumers to resolve their dispute at the FTC whenever they do not want to entertain the demand for a redress and specific businesses which have multiple cases at the FTC.

Out of the 172 complaints received during the second semester of 2016, 97 were goods related and 75 were services related. This represents a 2.12% increase in the number of goods complaint received compared to the same period in 2015 which stood at 95 and a 5.6% increase in services complaints compared to the same period in 2015 which stood at 71.

The Consumer Goods department continued its investigation process as part of its core function and duty. Through overseas trainings, the department was able to adopt more effective and efficient methods of investigation. In the event that cases are unable to be discontinued within the Consumer Department, they are then forwarded to the Legal Department to go before BOC.

The Commission entered the New Year with new determination. Despite many challenges ahead, the employees are driven and dedicated thus form a dynamic workforce that is ready to take on the challenges to come with the New Year.

OVERVIEW OF THE FTC

Establishement of FTC

Established under Section 3(1) of the Fair Trading Commission Act (FTC Act), the Fair Trading Commission (FTC) constitutes of two main bodies.

The first body is the Commission itself, which is considered as the Investigative arm under the supervision of the Chief Executive Officer. The main responsibility of the Commission is to investigate any infringement of the Fair Competition Act 2009 (FCA) and the Consumer Protection Act 2010(CPA).

The Board of Commissioners (Board) is the other important body in the administration of justice in respect of violations of laws enforced by the Commission. The Board was also established under Section 3(1) of the FTC Act, the Board comprises of a Chairperson and four commissioners.

History of the Board

At the inception of the Commission in 2009, the President of the Republic appointed the first Board. Dr. Shelton Jolicoeur became the first Chairperson and Mr. Philippe Chong Seng, Mrs. Jenna Thelermont, Mrs. Dolly Tirant and Mrs. Annie Vidot were appointed as commissioners.The first Board paved the way towards a promising
future for the FTC.

Late 2012, a new Board was appointed, with Mr. Collin Jean-Louis as the new Chairperson. Whilst Mr. Chong Seng and Mrs. Thelermont were reappointed, Mr. Michael Nalletamby and Mr. Victor Pool were appointed commissioners.

NEW ADDITIONS TO THE FTC TEAM

At the beginning of the 1st semester 2016, the Commission had a workforce capacity of 23 staff. In July and August 2016, 3 staff ended their employment with the Commission hence decreasing the workforce capacity to a total of 20 staff.

With the necessity to employ more staff to improve its efficiency and with the aim to "be the leading institution in the protections of the consumers and the competition process for the promotion of socio economic welfare", the Commission recruited a total of 6 staff in the CEO's Secretariat, Competition & Market Surveillance and Consumer Services departments and also our Praslin office. These officers are:

- Miss Natasha Jumaye and Miss Elza Robert both as Analyst in Competition & Market Surveillance Department. Miss Jumaye joined the Commission in July 2016 and Miss Robert in September 2016.
- Mr. Shane Chang Seng as Analyst in the Consumer Services Department joined in July 2016.
- Ms. Kate Pierre was recruited as Senior Analyst in the Praslin Office in August 2016
- Miss Chloe Albert as Law Secretary and Ms. Gina Williams as Senior Law Secretary both joined in the CEO's Secretariat. Miss Albert joined the Commission in September 2016 and Ms. Williams in October 2016.

Following these recruitments, the workforce capacity increased to 26.

Internal Transfer

Upon the resignation of Human Resources & Budget Management Officer on March 2016, Ms. Audrey Ryland was transferred to the HR & Admin Department in June 2016 as Assistant Human Resources & Budget Management Officer. Ms. Ryland joined the Commission on March 2015 as the Private Secretary to the CEO.

CONSUMER AFFAIRS

Consumer Affairs is the section responsible for consumer protection and is mandated to safeguard consumers from unfair trade practices through the enforcement of the Consumer Protection Act, 2010.
Over the past 6 months, the Commission maintained its consumer protection programme which involved issues relevant to consumer welfare. This involved conducting limited educational programmes for consumers, businesses and other organisations and investigating complaints from consumers with alleged contravention of their rights under the Consumer Protection Act, 2010.

Advocacy

A long term educational programme was put in place this semester. The programme is focused on Behavioral Communication Change and aimed at changing the perception of consumers through knowledg and information.

Behavioural Change Communications

A poster was developed in alliance with the Market Surveillance department 'Konnen ki ou pe aste'. The poster was designed as a first tool to sensitize the population on their responsibilities when purchasing any goods or services. With the help of all the departments, over 200 posters where put up on Mahe, Praslin and La Digue emphasizing on consumers behavioral change. Most consumers are buying goods without proper analysis of the product only to find out later that they bought a counterfeit, expired or defective product or a product which should not be on the market. This applies to food products, medicines, electronics etc….

SBC Programmes

The newly opened FTC office on Praslin participated in an SBC news programme depicting services offered by this office. FTC requested the participation of stakeholders such as the SLA and Planning Authority for the coverage of the programme. However the programme focused on construction industry where contractors do not perform in a timely manner or in a quality expected by the consumer.

TV Spots

FTC produced 3 tv adverts before the festive season as another means of behavioral change for consumers. The adverts focused on price displayed, defective products, durability, acquiring receipt and warranty. Such adverts will be produced continuously as from next year and will be aired throughout the year.

Routine Inspections

Routine inspections as a supportive programme to Market Surveillance department continued to be a priority for the department as part of keeping under review commercial activities. This semester the frequency of inspections on inner islands increased compared to last year where our staff were mostly inactive.

Law Review

This semester, the Commission received consultants from South Africa to help with the law review. The Consumer affairs staff formed part of this exercise and made substantial contributions to the amendment especially in regards to Section 40 and 42 of the CPA, 2010.

The Fair Trading Commission (FTC) recently concluded stakeholders' consultation on the proposed amendments and consolidation of the Fair Trading Act, 2009, the Consumer Protection Act, 2010 and the Fair Competition Act, 2009.

The week long consultation ended on the 7th of October 2016 and saw the participation of stakeholders from different government ministries, sector regulators, market players, the Seychelles Police, the Bar Association of Seychelles and from NATCOF and CEPS.

The stakeholders' were generally supportive for the proposed amendments, namely for the creation of the Fair Trading Tribunal which will now be the adjudicating body, separate from the Fair Trading Commission. The roles and responsibilities of sector regulators vis-à-vis the FTC was also discussed at length as was ways to improve the current provisions of the Consumer Protection Act, 2010 and the Fair Competition Act, 2009.

The FTC is undertaking the review process as after 6 years' experience of administering the laws under its jurisdiction it has observed certain gaps and shortcomings that need to be addressed. One of the other important rationale for this exercise is the need for our legislations to stay abreast with changes in the dynamic fields of competition and consumer laws in order to remain relevant. It is also important that our legislations are in line with international best practices and are forward looking, coherent and capable of ensuring an effective application and delivery of FTC's mandate.

Mrs. Diane Terblanche, the current Executive Chairperson of the National Consumer Tribunal of South-Africa and Mr. Fungai Sibanda, a part-time member of the same Tribunal are the two consultants appointed by the FTC for the project. Both consultants have well-renowned experience with consumer and competition policy and law as well as legislative and policy development and analysis.

Following the stakeholders' discussions at the meetings and the comments received, a new version of the draft Consolidated Bill has been circulated to the stakeholders and the FTC has invited an additional round of written comments from the stakeholders. Deadline for submissions has been set for the 9th of November 2016. If you would like to participate in the law review exercise, do not hesitate to contact the FTC.

The FTC thanks all stakeholders who have participated in the consultation exercise. Comments and feedback will be considered in the finalization of the proposed amendments. The Bill is targeted to be tabled in the National Assembly by the 2nd half of next year.

LOCAL TRAINING

Seychelles Planning Authority

On the 24th of November 2016, the Commission organised a small training session with the Seychelles Planning Authority. SPA is one of the authorities of which the Commission works most closely with and therefore the training was aimed at enlightening the Commission on their functions and procedures in order to...

The first presentation was by Mr. Dereck Marie, a Planning Engineer who explained the different criteria and procedure for recommending license to Seychelles Licensing Authority for draftsman, architects and contractors and the criteria to allocate class to a draftsman, architect and contractor.
Ms. Lindy Zoe & Mr. Trevor Hoareau, two Planning officers elaborated over the procedure for submission of planning application by draftsman and architects. and planning Authority's in house procedures for approval once the plan has been submitted.

Lastly, Mr.Ardy Philoe, a Senior Development Control Officer elaborated on the recommendations for a developer to start construction of a project, the monitoring process during the construction phase, enforcement action for construction outside the scope of approval and the different enforcement action for recurrent offenders.

The FTC staff had the opportunity to ask questions and a lot of questions were asked in regards to SPA's process of consideration from the day the planning documents is submitted to the Planning Authority until the day it is approved and released, the different contractors class , draftsman specification, the process of the appeal committee, site visit and report from site visit by Planning Officers and the interviews conducted by the Planning Officer for license of Contractors and draftsman.

OVERSEAS MISSION AND TRAINING

8TH AFRICAN DIALOGUE CONFERENCE

The 8th edition of the African Dialogue was held in Boksburg, South Africa from the 08th to 12th August 2016 conducted by the United States' Federal Trade Commission. Representing the Fair Trading Commission of Seychelles were the legal officer Mr. Ziggy Adam and 3 compliance officers namely Mr. Christopher Mellon, Ms. Naomi Louise and Mrs. Genevieve Alcindor. The purpose of the conference was for the different agencies protecting consumer rights to share best practices and constraints faced whilst in operation. The Officers benefited from the experience of mature organizations such as the Federal Trade Commission of the United States of America and gained the experience of sharing with other agencies on how and where the operation of the Commission is more ideal for particular situations. In total, 3 presentations were made by Ziggy Adam on; Complaints Handling, Effective Redress and Consumer Protection and Related Competition Highlights in Africa and USA.

Mr. Adam also used the opportunity to discuss with the Chairperson of the National Consumer Tribunal of South Africa the review of the laws which the Commission administers (prior to the Chairperson's official visit to the Seychelles).

Mrs. Sylvie Faure attended a two-day Workshop on Cartel Investigation Techniques and Procedures organized by the OECD, in collaboration with the Directorate-General of Competition of the European Commission and the South African Commission, from the 28th to the 29th July 2016. This was held in Pretoria, South-Africa. Over 50 officials attended the training which covered effective investigative tools including leniency programmes, dawn raids, and interviews and interrogations. The training gave insights into best practices and discussed tips (dos and don'ts) based on country experiences. Practical exercises provided opportunities for participants to learn and exchange know-how.

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ACF Capacity Building Workshop

The ACF held a capacity building workshop on merger review and analysis at the Competition Commission of South Africa in Pretoria on September 20-22, 2016. Mrs Frederika Confait-Poussou from the Market Surveillance unit represented FTC in the workshop which also saw participants from Mauritius, Zambia, Nigeria, COMESA Malawi, Angola, Tanzania, Botswana, South Africa and USA. The workshop was facilitated by Molly Askin and Nick Franczkyck from the Federal Trade Commission with additional trainers being drawn from other competition authorities, Zambia (Naomi Fulaza), Mauritius (Noor Eydatoulah) and South Africa (Grashum Mutizwa).

The workshop was designed to help case handler's practical and substantive skills for merger review and analysis. The workshop covered substantive sessions covering market definition, competitive effects theories, entry and expansion and remedies. It also covered practical skill sessions whereby participants were grouped in 5 groups of 5 and given a hypothetical merger application to apply the skills obtained. The participants had to plan the investigation, consider the theoretical effects, prepare interview questions and review documents. The workshop was also held in a way to accommodate the audience and allow for time to discuss pertinent issues and subjects of interest arising within the competition commission.

ICPEN

World Competition Day 2016

WORLD COMPETITION DAY 2016

In celebration of the World Competition Day for the year 2016, a workshop was held by the Fair Trading Commission on the 7th of December with the theme "Challenges to effective Competition in small island states".
For this event a number of businesses were invited to attend and participate, including the Members of the National Assembly.

In line with the theme of the day, The Fair Trading Commission's presentation highlighted the following challenges faced by small island states:

- *High dependence on international trade*
- *High dependence on Imports*
- *No economies of scale or the adequate volume for mass production/sale*
- *Barriers to entry or expansion.*

During question time which saw an impressive participation from all participants, it was noted that a number of the questions and points raised related to the high cost of living. Many of the attendees wanted the Fair Trading Commission's view on this matter and its role in reducing the high cost of living. This highlighted the main constraint of the Fair Trading Commission that is the need to undertake more awareness programs and the lack of human and financial resources. It was also an occasion for the Commission to reiterate its mandates vis-à-vis the issues surrounding the cost of living and how this ties up with the theme of the day.

Cable and Wireless (Seychelles) Limited also delivered a presentation concerning the challenges that businesses, namely Service operators, face in small island states. The concerns raised ranged from the small size of the market to the need for more consultation and communication with regulators. It was stated that Companies need to understand the principle or rationale behind the decision and ruling made as this will help enterprises to avoid repeating or making the same mistakes.

Internal Training and activities

New database

The database is live in full operation with each staff allocated a username and password since November 2016.Training was given to the two law secretaries from the CEO's office to take complaints live on the database. Training was also provided for the different departments in order for them to work on their cases, update and amend through the database.The database trial started in November 2016 with minor issues that were rectified. The database is currently running stable without any major errors. A support group made up of IT and IMS staff has also been created to provide support to the database users.

Legal Advise

the Legal Department conducted an in-house training on the interpretation and application of Sections 30, 31, 32, 40 & 41 of the Consumer Protection Act, 2010. Active cases were used as examples and the training was very interactive and based on feedback received, very productive. A training sessions on Compliance Notices and Burden & Standard of Proof was also conducted.

Stress Management

Stress is a large part of our everyday life and stress in the workplace reduces productivity, increases management pressures, and makes staff ill in many ways. Staff wellbeing is of utmost importance to the Commission and to ensure that staff are working in a stress free environment a one day Stress Management session was organised on the 25th November 2016, held at Anse Gaulette beach, Baie Lazare. This outdoor activity was conducted by Mr. Bernard Monnaie.

The aim for such activity was to provide insight that will help staff to further improve their competencies in managing stress within the work place. In short, the staff learned that healthy habits including regular exercise, healthy nutrition, spiritual wellness and regular sleep increased productivity, performance and resistance to stress. Moreover staff also learned the importance to identify signs of stress among their colleagues and themselves early enough to prevent impacts on their productivity and performance levels.

Board Of Commissioners

In loving memory of Mr. Colin Jean-louis

The Fair Trading Commission suffered the loss of its Chairperson, Mr. Colin Richard Jean-Louis on 4th November, 2016. Mr. Jean-Louis was appointed Chairperson of the Board of Commissioners on 1st December, 2012 and was serving a second three year term at the time of his passing. Mr. Jean-Louis was fair man who discharged his duties diligently. His resilience will be missed.

From left: Mr. Phillipe Chong seng (Member), Mrs. Jenna Thelermont (Member), Mr. Collin Jean – Louis (Chairman), Mr. Michel Nalletamby (Member) and Mr. Victor Pool (Member)

Consumer Feedback

Dear Mr. Chang-Seng,

Firstly let me personally thank you for your professionalism and devotion that in the end allowed me to get closure on my unfortunate encounter with bad services from the know service provider.

My name is Andy Hoareau and i unfortunately found myself in a stressful situation whereby the service provider that in my case was an architect, did not keep his end of our agreement, after collecting funds for works he was expected to complete. I felt and feared that i was going to have to enter in an endless battle of going back and forth to try and get him to finish the task or worst yet, get him to refund me back my money.

I was advised by one of my close relatives of the function and mandate of the "Fair Trade Commission". I at that time was not too keen or willing to come forward to get assistance as i had the perception that there probably had a lot of complicated steps involved that might in the end finish by a lot of wasted time, and me still having to engage in a back and forth scenario. Anyhow i did do my research through the FTC website and found how straight forward the processes were. I then decided and got the motivation to give it a go.

All communications were really effective and rapid. I got frequent updates that was very promising. The FTC staff were able to locate the service owner and get him to attend a meeting whereby he agreed to refund me my cash. I was astonished and impressed. I from then on simply waited for my monthly call from FTC to collect my cash. I collected my last installment in January. I am from now on a believer in the abilities and commitment of the FTC.

I thank all the personnel that in one way or another made it possible to turn me into a very happy and satisfied customer.

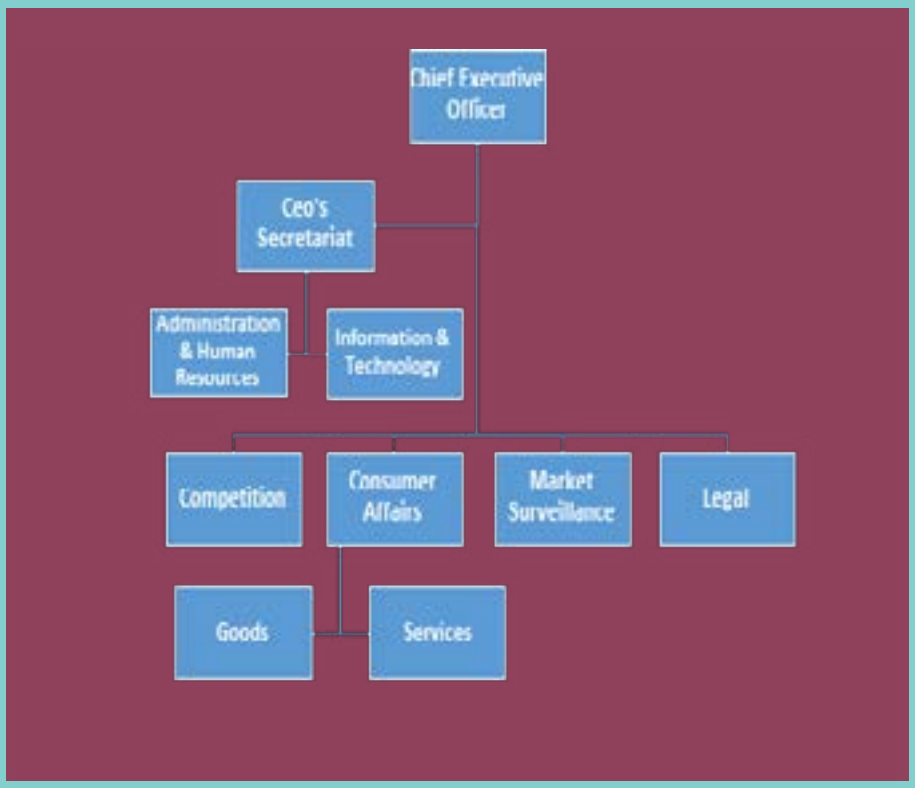
I certainly don`t wish to need the said service again but if i do face challenges from any unhealthy services, i will have no hesitation to go down that road again.

Andy

WHAT NEXT FOR FTC ?

- Finalise the Consolidated Draft Bill in order to present to the AG's Office for Presentation at Cabinet level.
- To Participate in Consumer Rights Day.
- To strengthen the relationship with other stakeholders.
- Capacity building for staff.
- Design and implement in collaboration with the other Departments a robust programme aimed at educating Suppliers of goods and services (who end up being respondents in our cases) about the requirements of our laws and their responsibilities.

Structure of FTC



Consumer Feedback

DID YOU KNOW?

From 2010-2016

1996

CONSUMER COMPLAINTS HAVE BEEN RECORDED

54.8% OF THESE COMPLAINTS PERTAINED TO GOODS

45.2% OF THESE COMPLAINTS PERTAINED TO SERVICES

75

COMPETITION CASES HAVE BEEN INVESTIGATED

9

OPINION PAPERS DRAFTED

SCR 4,813,797

WORTH OF PENALTIES HAVE BEEN HAS BEEN COLLECTED IN REFUNDS FOR DISCONTINUED CASES

For more information

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