



TOKUSHIMA INTERNATIONAL CONSUMER'S FORUM 2023

CONSUMER PROTECTION IN THE DIGITAL AGE

Country Focus: Philippines

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Director

Consumer Policy and Advocacy Bureau

The Philippines' Department of Trade and Industry

31 October 2023

The protection of Consumers is one of the key priorities in the country.

"Digital users and consumers shall be protected from identity theft, phishing, and other online scams, through essential systems and safeguards, such as cybersecurity, data privacy, consumer complaint mechanisms, and financial literacy campaigns."

*SONA 2023 delivered at the Session Hall of the House of Representatives,
Batasang Pambansa Complex, Quezon City
July 24, 2023*



State of the Nation Address by PH President Ferdinand R. Marcos Jr.

- 2022 SONA: President Marcos listed the Internet Transaction Act or E-Commerce Law as one of his priority legislative measures under the 19th Congress.
- 2023 SONA: The President reiterated the need to protect digital users and consumers in the online environment.

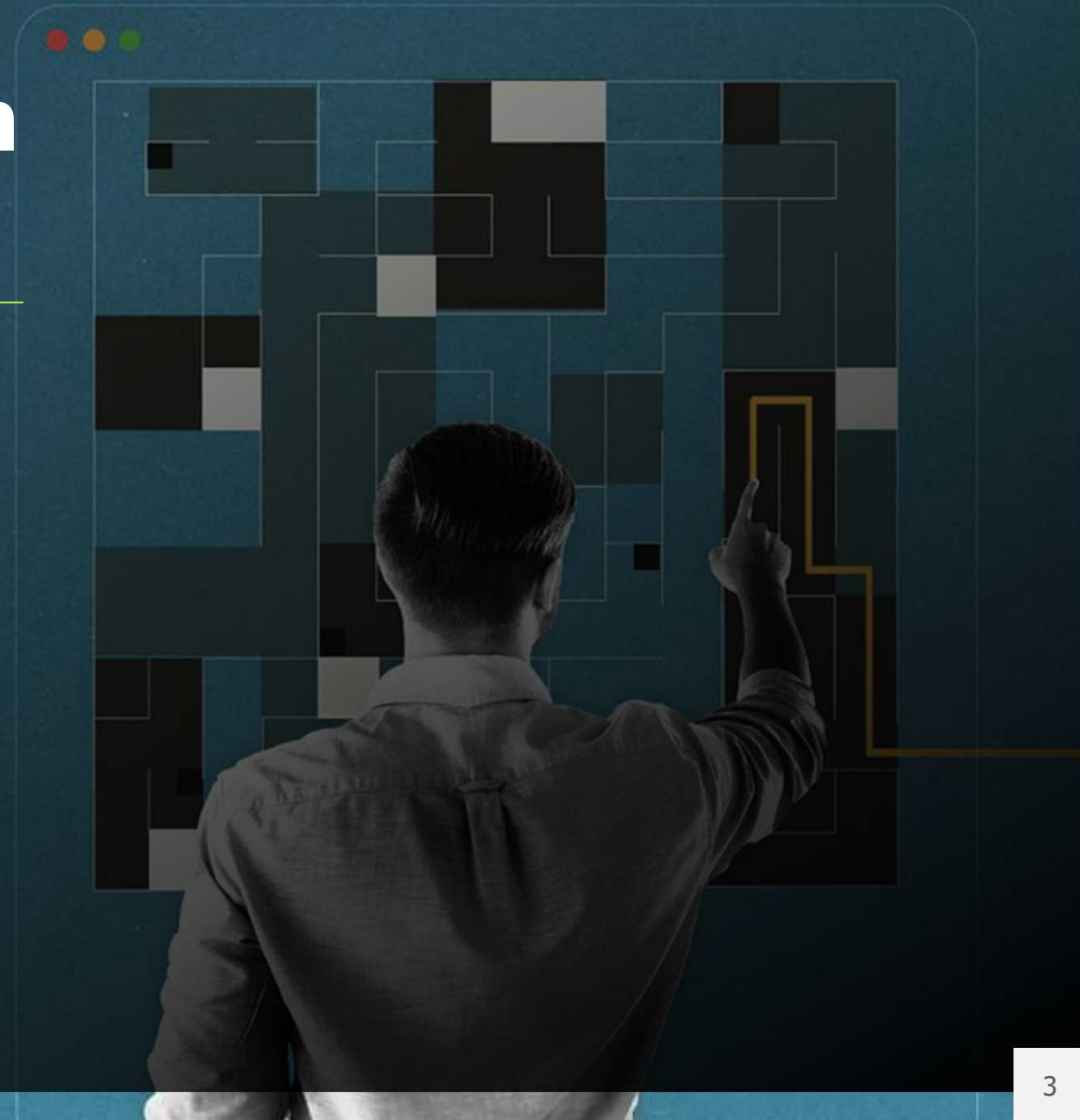
Consumer Protection Mandate

STATE POLICY

- Protect the interest of the consumer;
- Promote consumers' general welfare;
- Establish standards of conduct for business and industry.

REPUBLIC ACT NO. 7394 CONSUMER ACT OF THE PHILIPPINES

The law does not distinguish between brick-and-mortar and online stores and, thus, provides digital consumers with the same degree of protection as when they engage in physical stores/marketplaces.



COMMON PROBLEMS FACED BY CONSUMERS ONLINE

Deceptive Unfair or Unconscionable Sales Act or Practices

Liability for Product and Service Imperfection (defective)

Misleading Advertisement and Fraudulent Sales Promotion Practices

Consumer Product Quality and Safety

Consumer Product and Service Warranties

Violation for Printing "No Return, No Exchange" in the Receipts

Violations of the Data Privacy Act

Fake Products/Intellectual Property Concerns

Violations of the Price Act

Violations of the Business Name Law

Violations of the Price Tag Law





Data from DTI Fair Trade Enforcement Bureau (FTEB) as of August 2023


DTI CONSUMER COMPLAINTS DATA

From 2019 to year 2020 – significant increase on Consumer Protection complaints due to the pandemic.

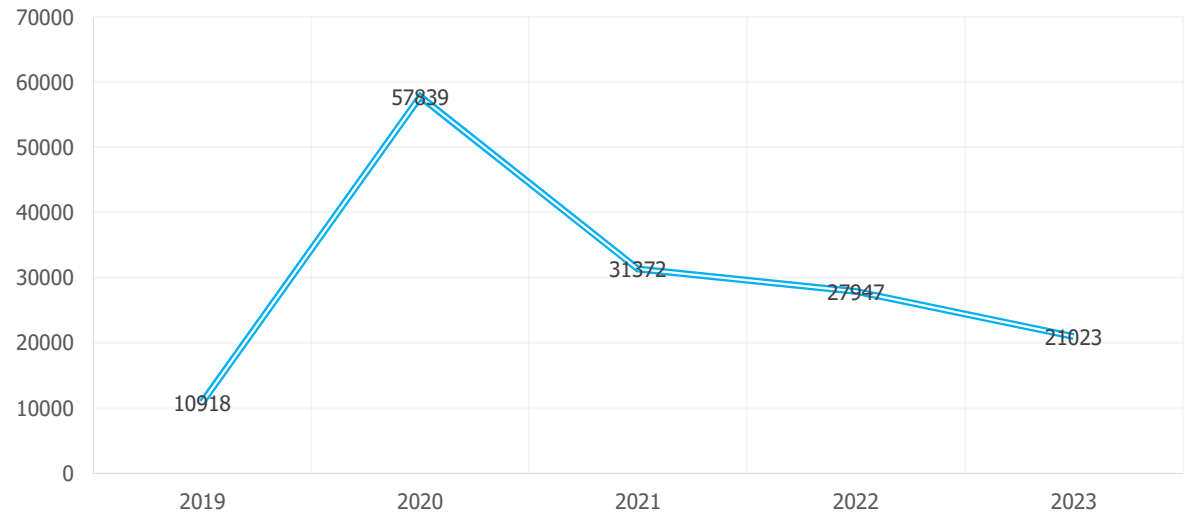
From 10,918 in 2019 to

 **57,839**
in 2020

 **31,372**
in 2021

 **27,947**
In 2022

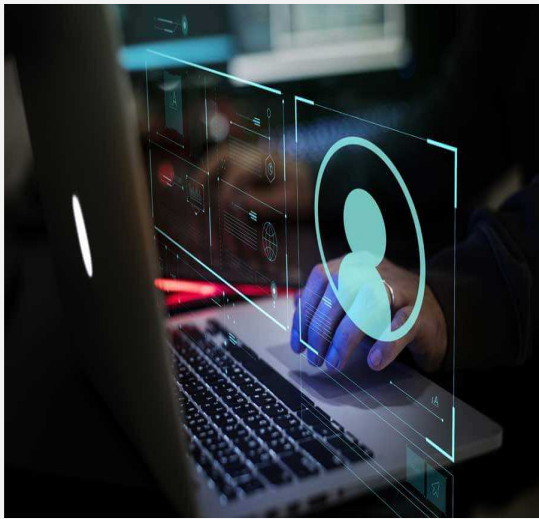
**COMPLAINTS TREND
(AS OF 31 AUGUST 2023)**



Nature of the Most Frequent Online Consumer Complaints (w/in DTI Jurisdiction) for year 2019 - 2023

1	Deceptive Unfair or Unconscionable Sales Act or Practices
2	Liability for Product and Service Imperfection (defective)
3	Misleading Advertisement and Fraudulent Sales Promotion Practices

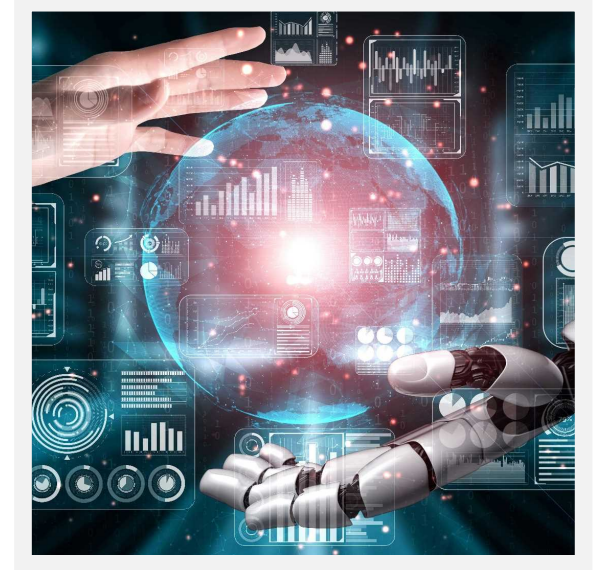
TRENDS AND EMERGING ISSUES IN CONSUMER PROTECTION



DATA PRIVACY



DARK PATTERNS



**ARTIFICIAL
INTELLIGENCE**

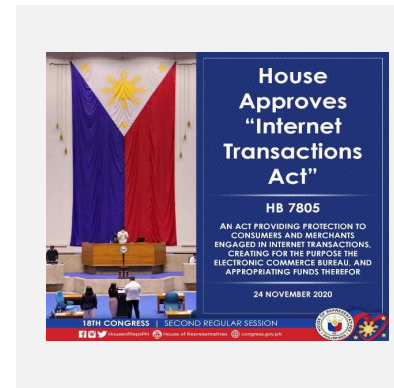
89%

Highest Recorded Consumer Awareness Level

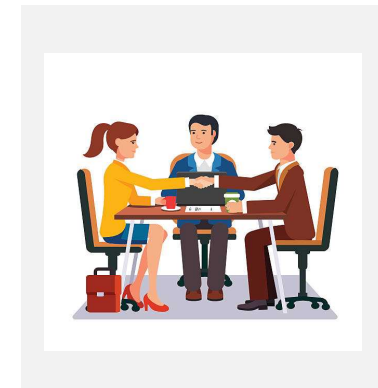
According to the latest Pulse Asia Survey results (2nd Quarter, 2023)

DTI in Action

The CPG ensures that Consumer Protection policies and programs in the country will be responsive to the issues and challenges being faced by consumers.



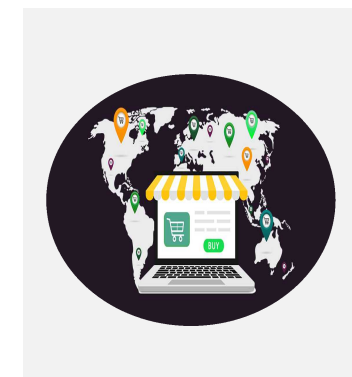
POLICY INITIATIVES



REDRESS



ADVOCACY PROGRAMS



CROSS-BORDER CONSUMER PROTECTION

POLICY INITIATIVES

GUIDELINES FOR ONLINE BUSINESSES REITERATING THE LAWS AND REGULATIONS APPLICABLE TO ONLINE BUSINESSES AND CONSUMERS



1	Defines the responsibilities of online businesses
2	Reiterates obligations of online platforms - abide to R.A. No. 4109 otherwise known as the "Standards Law"
3	Online businesses –must not produce, import, distribute, market, sell or transport prohibited or restricted items without a license or permit
4	Reiterates penalties for the violation of regulations
5	Establishes the joint undertaking of government agencies with online platforms

INTERNET TRANSACTIONS ACT

Senate Bill No. 1846: "An Act Protecting Consumers and Merchants Engaged in Internet Transactions, Creating for this Purpose the eCommerce Bureau and Appropriating Funds Therefor" and Senate Bill No. 1250 "An Act Promoting Online Transactions, Safeguarding the Rights of Consumers and Merchants, and For Other Purposes"

1	Aim to strengthen protection to consumers and merchants as well as accelerate the development of e-commerce in the Philippines.
2	Seek to create an E-Commerce Bureau under the DTI which will implement the proposed provisions of the ITA.
3	Defines the obligations of online merchants, digital platforms, and online consumers.
4	Gives the DTI regulatory jurisdiction over digital platforms.
5	Create a Philippine E-Commerce Trustmark to ensure safety and security in internet transactions.

REDRESS / CONSUMER COMPLAINTS HANDLING

COMPLAINTS RECEIVED	2019	2020	2021	2022	2023 (as of 31 Aug 2023)
Total Received/Acted Upon	10,918	57,839	31,372	27,947	21,023
Against Online Businesses	2,457	15,967	12,152	12,170	9,063
Against Offline Businesses	8,461	41,872	19,220	15,777	11,960

Online Consumer Complaints Handling

100% Mediation/Resolution Rate (Within prescribed time)

Status	2019	2020	2021	2022	2023
Endorsed	1,562	9,926	7,168	9,093	5,199
Issued NTE	-	-	-	-	-
In Process	-	-	-	-	-
Resolved	859	5,987	4,358	2,484	2,994
Withdrawn	-	-	346	394	471
Elevated (2016-2020)/ Issued CFA (2021 onwards)	36	54	280	199	399
Total	2,457	15,967	12,152	12,170	9,063

DTI espouses a “No Wrong Door Policy”, wherein all consumer complaints, DTI-related or not, are being acknowledged and acted upon.

REDRESS FOR CONSUMERS

DTI Complaints Handling

File a Consumer Complaint

Prepare a complaint letter with the following details:

- Complete name, address, email, and contact number of complainant and respondent
- Narration of facts
- Demand (i.e., refund, repair)
- Scanned and attached proof of transaction (i.e., official receipt) and any government-issued ID

* Complainants may submit their duly accomplished Complaint Form or complaint letter through email at consumercare@dti.gov.ph



1-384
Consumer Care Hotline



ConsumerCare@dti.gov.ph



Snail Mail



0917.8343330 (SMS)

Complaints go thru the process of:

- Mediation and/or
- Adjudication

REDRESS FOR CONSUMERS

DTI Complaints Handling

Consumer Complaints Assistance and Resolution (CARE) System



REDRESS FOR CONSUMERS

Online Mediation (No Face-to-Face Contact)



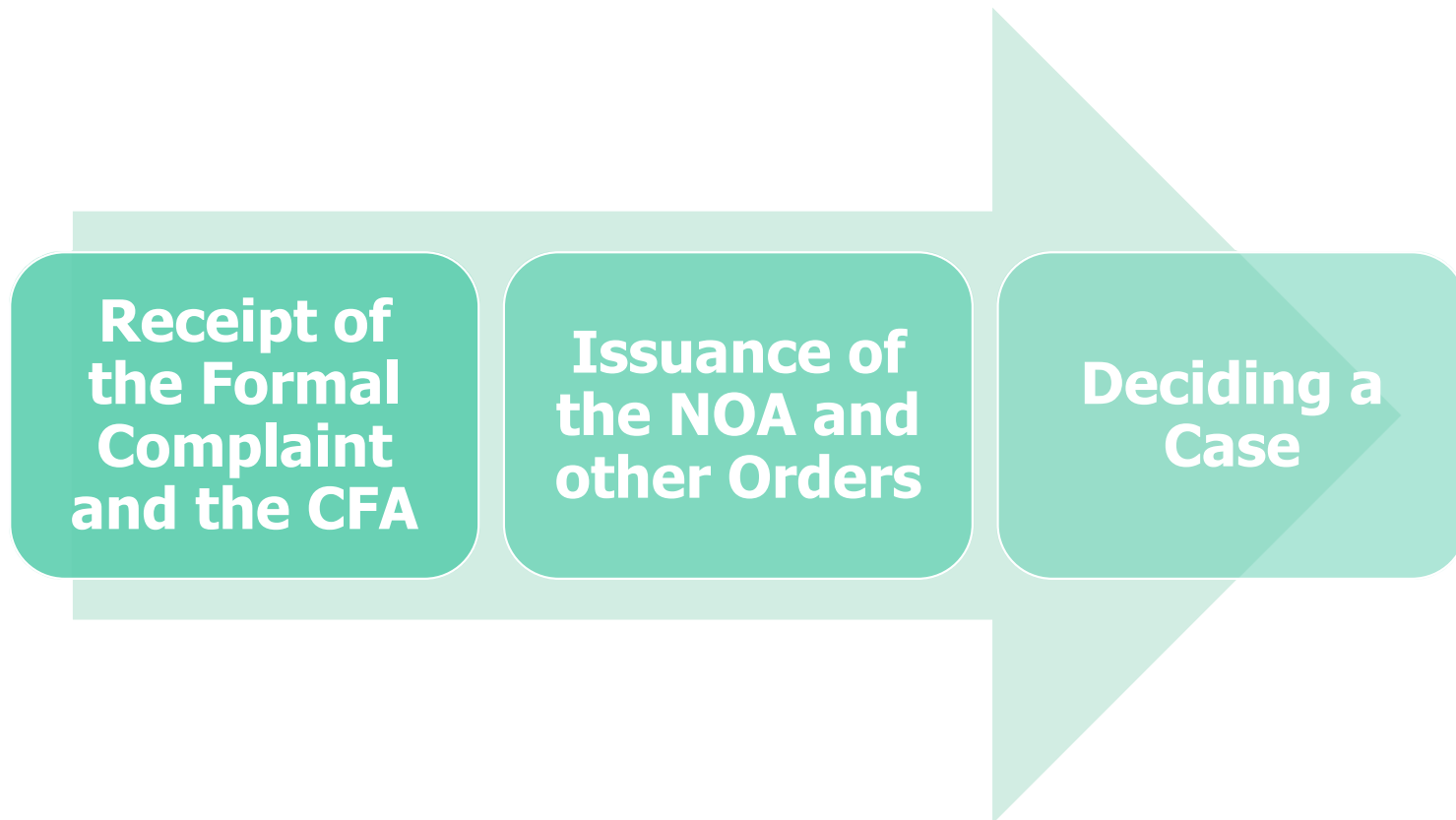
- ✓ The consumers who wish to file a formal complaint with the DTI, may now have an option to participate in an online mediation conference.
- ✓ Mediation is an intervention which **facilitates communication and negotiation** between the parties and assists them in reaching a voluntary settlement of their dispute. It is **MANDATORY** in all consumer complaints involving violation of the Consumer Act of the Philippines and other Fair Trade Laws.

Mediation Process

1. Receive Complaint
2. Evaluate Complaint
3. Issue Notice of Mediation
4. Conduct Mediation

REDRESS FOR CONSUMERS

Adjudication Process for Consumer Complaints



CROSS-BORDER CONSUMER PROTECTION

PARTNERS FOR CROSS-BORDER COMPLAINTS RESOLUTION



**ASEAN Committee
on Consumer Protection
(ACCP)**



Korea Consumer Agency



International Consumer Protection
and Enforcement Network

ADVOCACY INITIATIVES

WCRD | CWM



Annual Celebration of the World Consumer Rights Day

Annual Celebration of the Consumer Welfare Month

ADVOCACY INITIATIVES

KATBP | LEGIT CHECK | CCWS



- Longest-running DTI radio program (18 years)
- Average of 200,000 viewers every month



- 1,600 Followers
- 6 Legit Sellers Validated
- 67 Not Legit Sellers Validated



- 242 Episodes (as of 14 Sept 2023)

ADVOCACY INITIATIVES

DTI-1384 | DCC | SOCIAL MEDIA PAGES

DTI-1384 SHORT MESSAGING SERVICE (SMS)

dti PHILIPPINES **Maging updated!**

Para sa Konsumer tips, advisories, announcements, at iba pa, i-text ang **"SUBSCRIBE 1-384"**.

Tandaan, wais ang Konsumer na may alam!

I-text ang **"SUBSCRIBE 1-384"** sa

- **09603544154** para sa Smart and TNT users o sa
- **09669784816/09191602303** para sa ibang telco users.

DTI 1-384 Short Messaging Service System (SMS) Blast Facility.

[@DTI.ConsumerCare](#) [@DTIConsumerCare](#) [www.dti.gov.ph](#)

DEAR CONSUMER CARE

dti PHILIPPINES

Anong e-mail at katanungan ang sasagutin?

Dear Consumer Care

Abangan!

CONSUMER PROTECTION GROUP [@DTI.ConsumerCare](#) [@DTIConsumerCare](#) 1-384 (1-0TI) [consumercare@dti.gov.ph](#) | [ask@dti.gov.ph](#)

SOCIAL MEDIA



102,388 LIKES
119,117 FOLLOWERS



2,141 FOLLOWERS



171 FOLLOWING
256 FOLLOWERS

@DTI.ConsumerCare

CONSUMER CARE ADVOCACY INITIATIVES (CCAI)



CONSUMER CARE ADVOCACY INITIATIVES (CCAI)



Land Transportation (Railways)

1. Philippine National Railways (PNR)
2. Department of Transportation (DOTr) - Metro Rail Transit Line 3 (MRT-3)
3. Light Rail Manila Corporation (LRMC) - Light Rail Transit Line 2 (LRT-2)
4. Light Rail Transit Authority - Light Rail Transit Line 2 (LRT-2)

Air Transportation

1. Civil Aeronautics Board (CAB)
2. Manila International Airport Authority (MIAA)

Water Transportation

1. Philippine Ports Authority (PPA)

Other Government Instrumentalities

1. Armed Forces of the Philippines (AFP)
2. Philippine National Police (PNP)
3. Metropolitan Manila Development Authority (MMDA)
4. Land Transportation Office (LTO)

Private Stakeholders

1. Ad Standards Council (ASC)
2. Out of Home Advertising Association of the Philippines (OHAAP)

- *Recognize the transformative power of e-commerce and its impact on consumers.*
- *Vigilance and proactivity are instrumental in fostering a secure and trustworthy e-commerce ecosystem.*
- *Ensure that as technology advances, consumer protection advances with it.*



Thank you!

SUBSCRIBE TO DTI - 1384 SMS

Text "SUBSCRIBE" and send to 09603544154 (SMART/TNT) or 09669784816 (Globe/Other Networks)

  @DTI.ConsumerCare  @DTIConsumerCare  dti.1384  www.dti.gov.ph

