

LEGAL ALERT

Myanmar
11 June 2019

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Consumer Protection Law 2019

On 15 March 2019, the Pyidaungsu Hluttaw passed Law No. 9/2019 on the new Consumer Protection Law 2019 (“CPL”) which repeals the previous Consumer Protection Law 2014. The intention of the passing of CPL is to promote and protect the interest of consumers over all goods and services. It will also help to clarify some of the uncertainties and ambiguities under the previous law. In the process of consumer protection, consumer’s complaints are the first step of redressal. The guarantees and claimable rights are strongly vested to the consumer regarding goods and services under CPL.

The CPL comes into force immediately after the enactment, with the exception of the provision regarding the labelling of goods, which will come into force a year after the enactment of CPL.

The CPL defines consumer as a person who purchases, use, lessee of goods and services for the personal use or for other members of their households but not for trading. It provides clearer legal definition and framework for consumer protection and contains 25 chapters and 84 sections which amongst others:

- regulates the rights and obligations of consumers;
- the obligations of entrepreneur;
- mechanisms for resolving disputes between consumers and entrepreneur;
- the role of the government and responsibilities of the Consumer Protection Commission, Consumer Affairs Department, Inspector, Consumer Affairs Committee for the protection of consumers’ interests;
- improvement of the quality of goods and services, guarantee; and
- claimable rights of the consumer on goods and services.

As stated earlier, the CPL contains mandatory labeling requirements such as goods sold to consumers must come with information showing the name, size, net weight, volume, date of manufacture, storage instruction, name and address of the manufacturer, name of the distributor, trademark, expiry date, side effects, adverse reactions and so on, and these must be written in the Myanmar language. These provisions will only be effective from 15 March 2020. This is as more time is needed to ensure that certain products and medicine, meet the labeling requirements, especially for those that are imported, as the labels would need to be translated into Myanmar. The new law further refines Product Labelling Notification 1/2018 and 1/2019 (“the Notifications”) issued by the Central Committee for Consumer Protection. Although the Notifications were to be enforce in April 2019 in accordance with the provisions of these notifications, with the issuance of the CPL, it will now come into effect on 15 March 2020.

The CPL provides for consumer's rights and responsibilities which are as follows;

| Consumer Rights | Consumer Responsibilities |
|-----------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| The right to satisfaction of basic needs | To comply with the information and guidelines related to goods or services intended and expressed to ensure safety |
| The right to safety and to be protected against hazardous goods | Purchasing goods or services with the agreed price |
| The right to obtain correct information | Avoiding false accusation intended to cause harm to entrepreneurs |
| The right to choose | Avoiding any act, sayings and writings in order to cause detriment to relevant entrepreneurs by means of media or any other means while the relevant person is settling the consumer disputes |
| The right to complain and explain for the loss | |
| The right to a healthy environment | |
| The right to seek redress | |
| The right to consumer education, etc. | |
| The right to know their responsibilities | |

The CPL provides that product guarantees must include information on the acceptable, correct, useable qualities, safety, products label, repair and exchange of the products. When providing services, guarantee must include advance notice of the service, accurate descriptions, comply with services standards, service period and agreed-value.

The new law provides details on prohibited activities for both consumers and entrepreneurs regarding to misleading advertising promotion, fraud, manufacturing and trading. The CPL provides for details on prohibited activities and penalties which can be punished by imprisonment of with the maximum term of two years and fine of MMK20 million or both. Civil remedies are available in addition to the criminal penalties, and it is up the Commission to determine and administer the civil penalties. The decision can be appealed to the relevant Consumer Affairs Committee and Consumer Protection Commission within 30 days

National-level Consumer Protection Commission is to be formed under CPL to supervise the enforcement of CPL's provisions. Regional and state-level consumer affairs committees will also be formed to handle disputes between consumers and business entrepreneurs.

The new CPL aims to provide more protection and take action on violations of consumer rights. If it is correctly implemented, it will achieve in making goods and services that are available to consumers safer, better quality and environmentally friendly. It will ensure that the rights of consumers are protected as well as ensuring fair trade competition and the free flow of truthful information in the market.

If you have any questions or require any additional information, please contact [Thuzar Tin](#), [Aung Kyaing](#) or the ZICO Law Myanmar partner you usually deal with.

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