

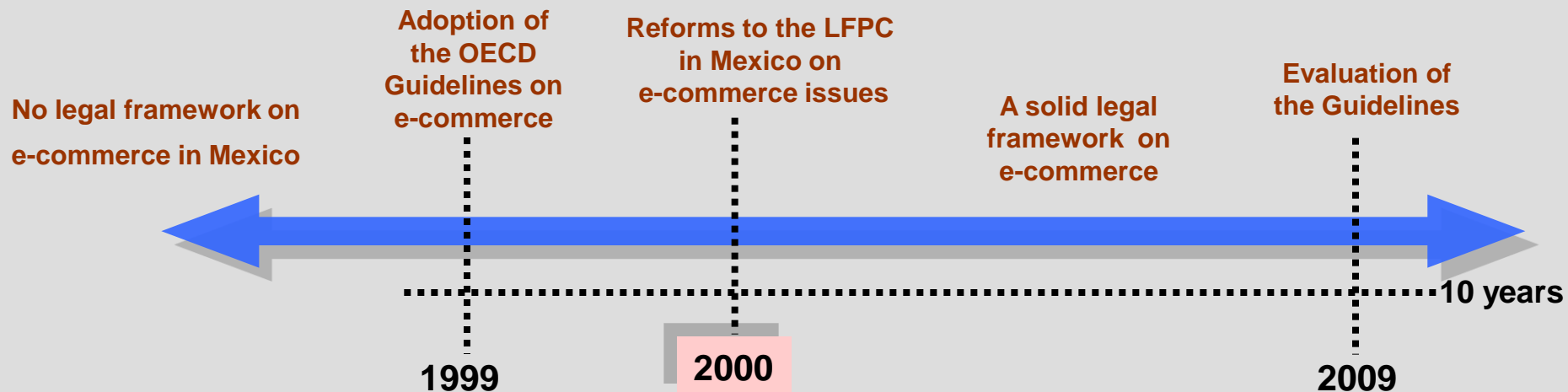
# Consumer Protection Federal Agency (Profeco) of Mexico

The Mexican experience in the promotion of the OECD  
Guidelines on e-commerce

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- I** Reforms to the Federal Consumer Protection Law (LFPC)
- II** Promotion of fair business, advertising and marketing practices
- III** Payment issues
- IV** Dispute resolution
- V** Education and awareness issues
- VI** Global cooperation

## I.- Reforms to the Federal Consumer Protection Law (LFPC)



- After the adoption of the OECD Guidelines (1999), Profeco made reforms to the LFPC (2000) in order to include and regulate e-commerce in Mexico.
- Chapter VIII Bis was incorporated: *Rights of consumers in transactions carried out through electronic or optical means, or through any other technology.*
- Nonetheless, progress in this regard has been slow and negotiations have been taken to Executive and Congress level.

## II.- Promotion of fair business, advertising and marketing practices

- The Mexican private and public sectors implemented actions to foster and strengthen e-commerce:

### Monitoring

of websites on a permanent basis to check the fulfillment of the Law

### Trustmarks

joint collaboration among business, government and international fora.

### Nonetheless

businesses do not fulfill the law due the lack of information or knowledge.

### Education

needs to be strengthened: providers aware of the importance to be a part of self-regulatory initiatives.

### III.- Payment issues

#### ARGUMENTS

- Strong perception that the Internet is not safe.
- Lack of confidence.
- Credit cards: preferred payment method.
- In Mexico, there is not a governmental office in charge of data privacy issues.

#### ADDRESSING THE ISSUE



does not have a remit to address complaints related to financial institutions.



the Mexican governmental office in charge of resolving complaints on financial issues.



has been working with its affiliates to improve the situation

## VI.- Dispute resolution

- Significant increase in e-commerce complaints in Mexico. Between 2007 and 2008, complaints (goods and services) on e-commerce rose more than 100%
- Difficulties faced in trying to solve the problem:
  - ✓ False or inaccurate information from the supplier
  - ✓ Difficult to notify the legal procedure against the provider
  - ✓ Problems in collecting evidence: permanent changes on web sites
- Recently, Profeco modernized its settlement procedures (dispute resolution) through the use of Information and Communication Technology (ICT).
- An online program called **Concilia.net** was put in place to process domestic complaints (dispute resolution) through Internet.

Concilia.net



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## V.- Education and awareness issues

- Since the adoption of the OECD Guidelines, educating consumers about how to prevent fraudulent online practices has been a priority for Profeco.
- Different tools and channels have been used to address the challenge:



- ✓ Fraud Prevention Month (ICPEN)
- ✓ Sweep Days (ICPEN)
- ✓ Surveys
- ✓ Market analysis
- ✓ Articles (Consumer Magazine)
- ✓ Press releases
- ✓ Conferences
- ✓ Online video (YouTube)
- ✓ Brochures

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## VI.- Global cooperation



- Global cooperation is needed in order to protect consumers in cross-border transactions and to learn best practices and exchange information.
- Several efforts to implement different criteria and dispositions on e-commerce have been done by international fora (OCDE-ICPEN-APEC-OAS).
- Limitations derived from the diverse legal and jurisdiction frameworks.
- A priority area of e-commerce could be those topics related to the development of legal mechanisms and effective mechanisms to solve controversies.



*Thank you for your attention!*

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