

COMPREHENSIVE CONSUMER PROTECTION LAW IN UGANDA IS LONG OVERDUE

By Lincoln Muggaga Mpagi

Last week just like in the past, Ugandans were rudely awakened by an absence of fuel at their preferred refilling stations. For those that did have some left in their reserves, it was being sold at a premium. Miles away, hundreds of fuel trucks, at the time of penning this article, still remain stuck at the Uganda – Kenya border. The ripple effect of this has been an increase in the cost of living with commodity prices and transport fares going up. The current fuel prices despite government calling upon traders not to hike prices is borderline

to fleecing. But how did we get here? How is the average boda-boda rider or school deep down in the rural area that relies on a small generator to power its operations protected from price fluctuations occasioned by opportunistic players within the economy?

From the legal perspective, it is impossible to have enforcement of consumer's rights and protection without laying down laws, structures and mechanisms that have the consumer as their focal point. There is at present no legislation in Uganda which deals specifically with consumer protection however there has been legislation promulgated to deal with certain aspects of consumer protection. Examples of these are the Bank of Uganda Financial Consumer Protection Guidelines 2011 which were at the forefront in the *Ham Enterprises Ltd & 2 Ors vs Diamond Trust Bank (U) Ltd & Anor CS No. 43 of 2020* that highlighted the bank's impunity and refusal to honor the tenets of fairness, transparency and reliability while dealing with the account of the Plaintiff, the National drugs Authority Act, the Weight and Measures Act Cap 103 etc. Institutions like the Uganda National Bureau of Standards, National Drug Authority, Uganda Communications Commission have operationalized committees that monitor standards of products availed to consumers.

The reactionary nature of our legislators has had members sitting on the Committee of Trade, Tourism and Industry start mooted the Consumer Protection and Competition bills seeking to shield consumers and traders from deceptive and unfair trade practices, dumping, regulate pricing, check quality and measurement of commodities etc.

An overarching Consumer Protection law is long overdue in a country where consumer protection is regulated largely by piecemeal sectoral regulations and guidelines such as those in the communications and banking sectors. We can only hope that key market competitions such as cartel conduct, collusion, predatory pricing and merger control that impact consumer protection can be curbed by promulgation of such law.

Largely, lack of political will in creation and operationalizing Consumer Protection laws in Uganda has exposed consumers to unfair products, fraudulent pricing, insufficient information to exercise a prudent buying decision for example in the segment of energy drinks and under weighted products like cement.

To enhance the national and international competitiveness of Uganda's products and services, it is necessary to continue restructuring and improving commercial law flexibly to reflect social and economic changes. Industrially advanced economies like South Africa have largely reformed their commercial laws to improve their international competitiveness. Uganda currently lacks laws to deal with new commercial needs especially those related to global competition. Uganda's membership in the East African Community and COMESA increased the openness of our markets as part of the globalization process. However, of all member states, Uganda remains the only state without a comprehensive consumer protection law. In Rwanda, we could benchmark with its Rwanda Utilities Regulation Authority which regulates gas, fuel, transport prices etc. This should not only be limited to utilities but also to predatory businesses like Ponzi schemes.

Government should come in to ensure information is disseminated to both consumers and sellers or service providers, their rights vividly explained to them, and provide an efficient mechanism for enforcement of consumer rights.

In conclusion, legislation on consumer protection in Uganda is fragmented. Even with the few interventions in form of legislation, there is a disconnect between the legal provisions and their practical application. There is need for an overhaul of the current legal regime

and enactment of a comprehensive consumer protection legislation which would assist consumers to avoid deceptive or unfair trade practices in trade and commerce in Uganda.

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