

# CP1A: Define and establish consumer protection policies

REGULATORY FUNCTION: CONSUMER PROTECTION REGULATION		CP1A
<p><b>OBJECTIVE CP1</b></p> <p>There are clear rules regarding the interface between consumers and operators</p>	<p><b>ACTION CARD CP1A</b></p>	
<h2>DEFINE AND ESTABLISH CONSUMER PROTECTION POLICIES</h2>		
<p><b>COST:</b> Low                      <b>FREQUENCY:</b> One time</p> <p><b>TARGET GROUPS:</b> Regulators, consumers, service operators, consumer associations</p>		
<p><b>DESCRIPTION</b></p> <p>Regulators establish consumer protection policies containing information such as the prohibition of charging prices that do not match the costs, obligations to give prior notice of suspension due to non-payment, frequency of billing, minimum payment times or especially short times for expiry of debts, consumer charts, and associations rights. Publicly outlined, consumer policies are also an opportunity for regulators to include essential regulatory principles they adhere to, such as universality or equity. Protecting consumers always requires the establishment of clear measures that adequately reflect their interests and ensure the full comprehension and acknowledgement of operators. The non-exhaustive list of policy information, open to be adapted to different circumstances, becomes an essential regulatory tool for achieving consumer protection objectives.</p>		
<p><b>EXPECTED OUTCOMES</b></p> <ul style="list-style-type: none"> <li>• There are clear and transparent policies in place that are accessible to all parties.</li> <li>• Service operators are contracted in accordance to consumer protection policies.</li> <li>• Consumer associations are actively engaged in shaping policies.</li> </ul>		
<p><b>EXAMPLE 1: ZAMBIA</b></p> <p>In <b>Zambia</b>, the creation of a vertical regulatory agency, the National Water Supply and Sanitation Council (NWASCO), led to the establishment of principles that were not explicitly present in the water sector until then, namely universality, accessibility, the quality of service, and equity. The 1994, the National Water Policy created the legal framework for implementing the decentralization of responsibility for the sector. NWASCO requires water and sewerage service providers to guarantee their customers a certain and defined level of service for a specified price in a Service Level Guarantee (SLG). Customers may use these SLGs as a basis for airing their complaints. Areas guaranteed are drinking water quality, billing for services, client contracts, interruptions of water supply, blockages of sewers, and pressure in the network.</p> <p><b>EXAMPLE 2: PARAGUAY</b></p> <p>The Sanitary Services Regulator (ERSSAN) is legally empowered to establish a user regulation containing regulatory norms on the rights and obligations of consumers, as well as on claims procedures, in accordance with the principles of speed, affordability, simplicity and efficiency in administrative procedures.</p> <p>This regulation sets forth a consumer protection policy containing principles that govern the relationship between users and providers. Such principles are in line with user satisfaction and service efficiency, and exist to guide the activities of all service providers.</p> <p>The user satisfaction principle means that the user is to receive accessible, efficient and equitable treatment, without discrimination against individuals or groups/categories of users. To this end, the regulator states that, pursuant to this principle, providers must establish quick and efficient information and assistance services so that users may obtain fair and adequate responses, including the timely resolution of any requests or claims submitted in connection with their rights.</p> <p>With regard to the principle of efficiency, the policy defined in the user regulation defines it as compliance with the obligations assumed in the respective concession contract and/or permit, as well as those deriving from the General Law on the Regulatory and Tariff Framework for Drinking Water and Sanitary Sewerage Provision in the Republic of Paraguay, and the Consumer and User Protection Law.</p>		

### EXAMPLE 3: PERU

The National Superintendency of Sanitation Services (SUNASS) is the public regulator for water and sanitation in Peru and is empowered to issue regulations, general and special norms to regulate the procedures it oversees, as well as any norms connected with interests, rights and obligations of supervised entities or activities, or users.

Accordingly, SUNASS issues the User Guide for drinking water and sewerage services, which provides users with information on their rights and obligations as well as those of the companies. It also includes advice on reducing monthly service fees and information on the claims procedure in the event that they should have complaints about billing or services.

This guide provides clear and transparent information, for both users and public utilities companies alike, on consumer protection guidelines related to aspects such as service conditions, billing, connections, response to requests, etc., with the following guiding principles:

- The provision of drinking water and sanitary sewerage services of adequate quality and quantity.
- The furnishing of clear and accurate information on the service and billing
- User compensation in the event of negligence, lack of expertise or carelessness in the company's provision of the service.

User service that is courteous, respectful and efficient, provided by trained personnel with a proactive and positive mindset.

### LINKS

Zambia: Zambia National Water Policy: <http://www.nwasco.org.zm/index.php/policy/send/4-policy-and-legislation/56-national-water-policy-1994-zambia>

Zambia Service Level Guarantee (SLG): <http://www.nwasco.org.zm/index.php/regulatory-tools/service-level-agreements-and-guarantees>

Paraguay: User Regulation: [https://erssan.gov.py/application/files/2015/8896/1701/Reglamento\\_del\\_Usuario.pdf](https://erssan.gov.py/application/files/2015/8896/1701/Reglamento_del_Usuario.pdf)

Peru: User Guide:

<https://www.sunass.gob.pe/wp-content/uploads/2020/09/Gu%C3%ADa-del-Usuario.pdf>

### INTERNAL CAPACITIES NEEDED AND THE ROLE OF PARTNERS

Identifying consumer interests lies primarily in working with consumers and their respective associations. Capacities required including engineering or customer relations abilities that could be supported by related ministries or service operators, while much required facilitation of multi-stakeholder consultations remain with civil society and development partners. Regulators' staff must be trained on basic consumer policies and concepts, and how to apply them in their specific context.