

WHY COMPLY WITH THE COMPETITION AND CONSUMER PROTECTION ACT?

Because it is good business practice. Your reputation is your greatest business asset. Don't risk it. Building trust with other businesses and your customers is fundamental. Good customer service and complaints handling is important. A reputation for breaching the CCPA can harm existing relationships, and make new businesses or consumers wary of dealing with you.

If businesses get away with breaking the trade practices laws they gain an unfair advantage over their competitors. Awareness of the law enables a business to protect itself from breaches by another business which could be damaging its economic interests.

It is the role of the CCPC to ensure a level playing field for all market players.

The CCPA applies to all businesses. Compliance with the laws does not just happen. You need to make it happen by having a system to reduce the risk of you, your staff or your company breaching the CCPA. Ignorance is no excuse.

DO YOU KNOW YOUR OBLIGATIONS UNDER THE CCPA

As a business owner you have a responsibility not to engage in Anti competitive trade practices such as:

- Predatory pricing or behaviour
- Discriminatory pricing
- Exclusive dealing
- Territorial restraint
- Tied selling
- Full line forcing
- Reciprocal Exclusivity
- Unfair Trade Practices
- Colluding with competitors ; to fix prices, allocate customers etc.

FAILURE TO COMPLY:

Failure to comply with the Competition and Consumer Protection Act has the following consequences:

- (a) An order imposing a financial penalty on the enterprise not exceeding 10% of that enterprise's annual turnover during the period of the breach of the prohibition
- (b) A fine of up to 100, 000 penalty units or to imprisonment for a period not exceeding one year, or to both

BENEFITS OF COMPLIANCE:

Of utmost importance, is the fact that a compliant business protects itself from the risk of stiff penalties, and will be adequately informed with regards to its rights under the CCPA.

HOW TO COMPLY:

The next segments will guide you on how to ensure your business is complying.

WHAT IS A COMPLIANCE PROGRAM?

A compliance program is a simple set of measures to help you manage your trade practices risks.

To comply you need to do the following (Tick the boxes):

- Demonstrate commitment
- Understand and rank your trade risk areas
- Get your staff involved
- Allocate responsibility
- Implement procedures
- Set up a complaints handling system
- Make sure your staff realise they are accountable
- Update and assess compliance arrangements
- Keep records of your compliance and CCPA issues

DEMONSTRATE COMMITMENT

As the owner or manager of the business, it is in your and your staff's interests to comply with the CCPA. Tell your staff that you are committed to obeying the law; make it a part of your overall business policy, and your day-to-day operating procedures.

Discuss CCPA issues with your staff and circulate relevant publications from the CCPC (see back of this guide).

UNDERSTAND AND RANK YOUR TRADE PRACTICES RISK AREAS

Find out about the CCPA. Decide which areas your business needs to focus on, for example, advertising, refunds, pricing.

Rank your risks; for example, you might never discuss prices with your competitors, but you might use fine print qualifiers in your advertising.

GET YOUR STAFF INVOLVED

Give all new staff trade practices training, especially on the issues relevant to their role in the business, what the risks to the company are, and how to deal with these issues. Staff may need to revise their trade practices knowledge while on the job, or on promotion. Training should have clear objectives and a simple outline of the content. Participants should be tested in each session with a simple evaluation to show it is working.

ALLOCATE RESPONSIBILITY

Different staff may be responsible (and then accountable) for ensuring the business complies with various CCPA issues. For example, the manager may be responsible for ensuring the business does not behave anti-competitively. The secretary might check that all advertisements give a truthful impression to the public. If you run a shop, counter staff must know the warranties and refunds provisions.

IMPLEMENT PROCEDURES

All companies need a system for compliance. As a minimum you should issue a clear statement about what compliance is, why it is important and that everyone is responsible.

Make sure staff know whom they can report problems to so they can be addressed.

SET UP A COMPLAINTS HANDLING SYSTEM

Every business receives complaints. A complaint is a gift because it may give you an opportunity to fix potential or actual problems. Most people don't bother to complain—they just take their business elsewhere.

An effective system for recording complaints helps you identify any recurring problems and prevent them getting out of hand. Explain to all staff the importance of complaints. A well-managed complaint will promote a positive response in customers.

MAKE SURE YOUR STAFF REALISE THEY ARE ACCOUNTABLE

You should expect all staff to be accountable for managing the compliance system. Performance bonuses or promotions could be conditional on compliance.

Accountability also includes regularly reporting 'from the top down' on the compliance system (e.g. what complaints are received and how they are being managed). Put appropriate measures in place to deal with any incidents of non-compliance by staff.

UPDATE AND ASSESS YOUR COMPLIANCE ARRANGEMENTS

As with all good business systems your compliance system will benefit from regular maintenance and improvement.

While it is easy for a compliance system to take second place when times get tough or things are

busy, keeping it going could save you a lot of time and money.

KEEP RECORDS OF YOUR COMPLIANCE AND CCPA ISSUES

Show your compliance system exists by keeping records of the system, commitment, procedures, training, complaints, potential risks that you have addressed, and how you have reviewed and improved the system.

WHERE CAN I GET MORE INFORMATION?

CCPC Publications

- Notification of Mergers & Acquisition
- Merger Control Regulation
- Know your Rights
- Lodging a Complaint & Redress Procedure

The CCPC Resource Centre

For all business and Consumer issues, or to request any publications, contact us.

Further information can be obtained from

The Executive Director
Competition & Consumer Protection
Commission,
4th Floor Main Post Office,
Cairo Road, P. O Box 34919
Lusaka. Tel: 260-211-222787, 232657
Fax: 260-211-222789.
Email: zcomp@ccpc.org.zm

or

P.O. Box 20158, Ground Floor Revenue House
(former Nchanga House), Kitwe,
Tel: 260-212-221115,
Fax: 260-212-221067
email ccpc@kitwe@zamnet.zm

Website: www.ccpc.org.zm



THE COMPETITION AND CONSUMER
PROTECTION ACT PROMOTES COMPETITION,
CONSUMER PROTECTION AND FAIR TRADING.

HOW TO COMPLY

WITH THE COMPETITION AND
CONSUMER PROTECTION ACT

A GUIDE FOR BUSINESSES



If you:

- Are a small, medium or large business
- Compete with other businesses
- Sign contracts
- Buy or sell products that attract Goods and Services Tax
- Advertise
- Deal with consumers
- Employ contractors

Then you need management systems to deal with trade practices matters.

This brochure will tell you:

- * Why you need to comply
- * What your obligations under CCPA are
- * How to comply
- * Where to get information
- * What a compliance program is