



13 September 2016

Amended Consumer Protection (Fair Trading) Act (CPFTA) Passed in Parliament to Better Protect Consumers

1. The Consumer Protection (Fair Trading) Act (CPFTA)¹ has been amended to strengthen the measures that may be taken against errant retailers who persist in unfair practices. The enhanced consumer protection framework aims to better safeguard consumers' interest. The majority of businesses which engage in responsible trading practices will not be affected.

SPRING Singapore appointed as administering agency for CPFTA

2. Under the amended CPFTA, SPRING Singapore (SPRING) will be the administering agency for the CPFTA and will have investigative and enforcement powers to take timely actions against recalcitrant retailers. This is targeted to be effective by end 2016.

3. SPRING will look into cases of errant retailers who persist in unfair trade practices. Specifically, it will be able to:

- Gather evidence against persistent errant retailers;
- File timely injunction applications with the courts; and
- Enforce compliance with injunction orders issued by the courts.

¹ The CPFTA was introduced in March 2004 to protect consumers against errant retailers who engage in unfair practices. It allows for civil actions to be taken against errant retailers who persist in unfair practices.

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Other key amendments to the CPFTA

4. The amended CPFTA also enables the courts to impose additional requirements on errant retailers. The courts may require an errant retailer (entity or individual) to publicise that it is under injunction and notify SPRING of any changes to its entity and/or employment status. This will raise consumers' awareness of a retailer that is under an injunction order as well as allow SPRING to monitor the retailer's compliance with the injunction order. The list of unfair practices in the Second Schedule of the CPFTA has also been clarified to make it clear to businesses and consumers on what constitutes unfair practices. (Refer to Annex A)

CASE and STB remain the first points of contact

5. The Consumers Association of Singapore (CASE) and the Singapore Tourism Board (STB) remain the first points of contact for local consumers and tourists respectively to handle complaints. They will assist in obtaining redress and/or compensation through negotiation and/or mediation. Errant retailers may enter into a Voluntary Compliance Agreement (VCA) with CASE or STB, where they will agree in writing to stop the unfair practice, and compensate affected local consumers or tourists. Errant retailers who persist in unfair trade practices will be referred to SPRING for investigation and follow-up actions.

6. CASE and SPRING will work together to raise awareness among consumers and businesses on the amendments to the CPFTA. CASE and STB will also continue consumer education and outreach efforts to enable consumers and tourists make informed purchasing decisions.

7. The finalisation of the changes to the CPFTA followed a review of the Act by the Ministry of Trade and Industry (MTI) and a public consultation conducted from 16 May to 15 June this year. More details on the amended CPFTA can be found at www.spring.gov.sg/cpfta.

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About Ministry of Trade and Industry

The Ministry of Trade and Industry seeks to promote economic growth and create jobs through the development of industry sectors and international trade interests. Our vision is to transform Singapore into a leading global city of talent, enterprise and innovation. Our strategies are derived from Singapore's general philosophy of economic management: strong adherence to a free market economic system and active pursuit of outward-oriented economic policies. For more information on the ministry, please visit www.mti.gov.sg.

About SPRING Singapore

SPRING Singapore is an agency under the Ministry of Trade and Industry responsible for helping Singapore enterprises grow and building trust in Singapore products and services. As the national standards and accreditation body, SPRING develops and promotes an internationally-recognised standards and quality assurance infrastructure. SPRING also oversees the safety of general consumer goods in Singapore. As the enterprise development agency, SPRING works with partners to help enterprises in financing, capability and management development, technology and innovation, and access to markets. Please visit www.spring.gov.sg for more information about SPRING Singapore.

About Consumers Association of Singapore

The Consumers Association of Singapore (CASE) is a non-profit, non-governmental organisation that is committed towards protecting consumers' interest through information and education, and promoting an environment of fair and ethical trading practices. One of their key achievements is in advocating for Consumer Protection (Fair Trading) Act (CPFTA), which came into effect on March 1, 2004. Please visit www.case.org.sg for more information about CASE.

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About Singapore Tourism Board

The Singapore Tourism Board (STB) is a leading economic development agency in tourism, one of Singapore's key service sectors. Known for partnership, innovation and excellence, STB champions tourism, making it a key economic driver for Singapore. We aim to differentiate and market Singapore as a must-visit destination offering a concentration of user-centric and enriching experiences through the "YourSingapore" brand. For more information, visit www.stb.gov.sg or www.yoursingapore.com or follow us on Twitter @STB_sg (https://twitter.com/stb_sg).

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List of unfair trade practices under amended CPFTA

1. Representing that goods or services have sponsorship, approval, performance characteristics, accessories, ingredients, components, qualities, uses or benefits that they do not have.
 - a) Representing that the supplier has a sponsorship, approval or affiliation with respect to the supply of goods or services that the supplier does not have.
 - b) Making a false or misleading representation concerning the need for any good or services.
2. Representing that goods or services are of a particular standard, quality, grade, style, model, origin, weight, volume, length, capacity or method of manufacture (as the case may be) if they are not.
3. Representing that goods are new or unused if they are not or if they have deteriorated or been altered, reconditioned or reclaimed.
4. Representing that goods have been used to an extent different from the fact or that they have a particular history or use if the supplier knows it is not so.
5. Representing that goods or services are available or are available for a particular reason, for a particular price, in particular quantities or at a particular time if the supplier knows or can reasonably be expected to know it is not so, unless the representation clearly states any limitation.
6. Representing that a service, part, repair or replacement is needed or desirable if that is not so, or that a service has been supplied, a part has been installed, a repair has been made or a replacement has been provided, if that is not so.
7. Representing that a price benefit or advantage exists respecting goods or services where the price benefit or advantage does not exist.

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8. Charging a price for goods or services that is substantially higher than an estimate provided to the consumer, except where the consumer has expressly agreed to the higher price in advance.
9. Representing that a transaction involving goods or services involves or does not involve rights, remedies or obligations where that representation is deceptive or misleading.
10. Representing that a person has or does not have the authority to negotiate the final terms of an agreement involving goods or services if the representation is different from the fact.
11. Taking advantage of a consumer by including in an agreement terms or conditions that are harsh, oppressive or excessively one-sided so as to be unconscionable.
12. Taking advantage of a consumer by exerting undue pressure or undue influence on the consumer to enter into a transaction involving goods or services.
13. Representing that another supplier will, on the presentation of a voucher to that other supplier—
 - (a) supply certain goods or services; or
 - (b) supply certain goods or services at a discounted or reduced price,when the supplier knows or ought to know that, on presentation of the voucher to that other supplier, such goods or services will not be supplied, or will not be supplied at a discounted or reduced price (as the case may be).
14. Making a representation that appears in an objective form such as an editorial, documentary or scientific report when the representation is primarily made to sell goods or services, unless the representation states that it is an advertisement or a promotion.

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15. Representing that a particular person has offered or agreed to acquire goods or services whether or not at a stated price if he has not.

16. Representing the availability of facilities for repair of goods or of spare parts for goods if that is not the case.

17. Offering gifts, prizes or other free items in connection with the supply of goods or services if the supplier knows or ought to know that the items will not be provided or provided as offered.

18. Representing that goods or services are available at a discounted price for a stated period of time if the supplier knows or ought to know that the goods or services will continue to be so available for a substantially longer period.

19. Representing that goods or services are available at a discounted price for a particular reason that is different from the fact.

(a) Making an invitation to a consumer to purchase, or making an offer to sell to a consumer certain goods or services (called in this paragraph the original goods or services) at a certain price and then, with the intention of promoting different goods or services –

(b) refusing to show or demonstrate the original goods or services to the consumer;

(c) refusing to take any order for the original goods or services;

(d) refusing to supply the original goods or services in a reasonable time;

or

(e) showing or demonstrating a defective sample of the original goods.

20. Omitting to provide a material fact to a consumer, using small print to conceal a material fact from the consumer or misleading a consumer as to a material fact, in connection with the supply of goods or services.

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21. Accepting payment or other consideration for the supply of goods or services when the supplier knows or ought to know that the supplier will not be able to supply the goods or services—

- (a) within the period specified by the supplier at or before the time at which the payment or other consideration is accepted; or
- (b) if no period is specified at or before that time, within a reasonable period.

22. Purporting to assert a right to payment for the supply of unsolicited goods or services.

23. Sending to a consumer an invoice or document that states the amount of payment for the supply of unsolicited goods or services which does not contain, as the document's most prominent text, the following (or words to that effect):

“This is not a bill. You are not required to pay any money.”

unless the consumer has expressly acknowledged to the supplier in writing the consumer's intention to accept and pay for such goods or services.

24. Where an applicable agreement² has been entered into in writing and a copy of the applicable agreement has not been given to the consumer, refusing to give the consumer a copy of the applicable agreement upon the consumer's request.

² For the purposes of paragraph 24, “applicable agreement” means an agreement between a supplier and a consumer for the supply of goods or services which expressly provides that –

- (a) the goods or services will not be supplied or, in the case of an agreement to supply goods or services over a period of time, will not begin to be supplied, to the consumer until the price, or part of the price, of the goods or services has been paid; and
- (b) the price of the goods or services is to be paid by 2 or more instalments.[Note: In subparagraph, any deposit paid by the consumer for the goods or services is treated as an instalment.]

Chinese terms (for reference)

1.	Consumer Protection (Fair Trading) Act	保护消费者公平交易法令
2.	Voluntary Compliance Agreement	自愿遵从协议
3.	Injunctions	禁制令
4.	SPRING	标新局
5.	CASE	新加坡消费者协会
6.	STB	新加坡旅游局
7.	MTI	贸工部