

STATE OF CONSUMER PROTECTION IN KENYA APRIL, 2018

About Cofek

The Consumers Federation of Kenya (Cofek) is Kenya's independent, self-funded, multi-sectorial, non-political and apex non-profit Federation committed to consumer protection, education, research, consultancy, litigation, anti-counterfeits campaign and business rating on consumerism and customer-care issues.

The Federation was registered on March 26, 2010. Cofek works towards a fair, just and safe marketplace for all Kenyan and regional consumers in all sectors of the economy. Cofek is a founder Chair of the Government-run Kenya Consumer Protection Advisory Committee (Kecopac). Our mandate is drawn from Article 46 of the Constitution of Kenya 2010, the Consumer Protection Act, 2012 and the Competition Act, Cap 504 among other statutes. The legal framework provides high thresholds for consumer protection in all spheres and for both private and public sectors.

Mandate

Our mandate is to defend, promote, develop and pursue consumer rights as guided by Article 46 of the Constitution of Kenya 2010, the Consumer Protection Act, 2012 and the Competition Act, Cap 504 and make it possible for the consumers to get value for money

State of Consumer Protection Reports

The Consumer Protection Act, 2012 at Section 90(i) mandates the Government of Kenya through KECOPAC to "undertaking or commissioning any study or research which may be necessary to promote consumer protection and thereby publish the State of National and County Consumer Protection Annual Report".

In the absence of such reports from Government, and on which basis Cofek would play a central role, we are in the process of releasing a report of the state of consumer protection on specific aspects – in phases

Thematic Focus for State of Consumer Protection Reports – 1

We intend to release the State of Consumer Protection Report on the following areas;

1. **Banking and Financial Services Sector:** Interest rates capping law; Sector Governance and overall discipline within the sector; Cost of

Credit; M-Shwari Interest case; Role of technology and implication on cost of services; Marketing and Deceptive Advertising; Transparency and Accountability; Bank disclosures and hidden costs; Mobile Money Transfer Regulation Emerging Risks, Opportunities if any, among other issues

2. **Information, Communication & Technology:** Review sector governance and in particular developments at Communications Authority and other parastatals; Mobile Inter-operability; Crypto currency and CBK discomfort; Safaricom Dominance; Sector Competition and Analysis Mason Report; Consistent MNOs failure on Quality of Service Assessments; Cost, Reliability; Quality and potential regulation of Internet; Media Freedom; Mshwari – CBA & Safaricom excessive interest rate (now known as “one off” or “facilitation” fee; Opportunities for Telkom Kenya to increase sector competitiveness: MNOs and Deceptive Advertising; Exclusive Mobile Inter-operability Conversations fronted by CBK & ICT Ministry and MNOs; Pay-TV and Premium Content Sharing, among other issues
3. **Energy Sector:** Review sector governance and in particular developments on soaring electricity prices and admission by KPLC of “billing system errors”; Level of Taxes on cost on electricity – Fuel Cost Charge; ForEx Adjustment as well as Inflation among others; Fuel Adulteration; Deployment of thermal vs hydro & geothermal power combined; Loans and Grants for Mega Projects, among others

STAKEHOLDER INPUT: AN INVITATION

As a requirement of public and stakeholder consultation, we invite individual consumers and experts to weigh on the above-stated and related issues. We will appreciate your brief take on the shift, if any, of the access, quality, reliability and costs associated with consumer services and goods in the 3 mentioned sectors. Cofek undertakes to observe strict confidentiality. Such information will not be divulged to a third and will be solely used for the purpose of developing the Cofek State of Consumer Protection Report within the said sectors. Informants who choose to keep their identity are free to send us anonymous contributions to: hotline@cofek.co.ke on or before Monday, April 9, 2018