

FAIR COMPETITION COMMISSION GUIDELINES TO CONSUMER PROTECTION PROVISIONS IN THE FAIR COMPETITION ACT 2003 (CAP 285)

1.0 INTRODUCTION

General Law on Consumer Protection in Tanzania is provided under Parts III –IX of the Fair Competition Act 2003 (Cap 285) (FCA). The FCA is an Act to promote and protect effective competition in trade and commerce, to protect consumers from unfair and misleading market conduct and to provide for other related matters.

This guideline explains the law in simple language but it **is neither** a substitute for the legislation **nor** legal advice or a definitive list of situations where the law applies. It gives general information and examples. This guideline will help businesses and legal practitioners avoid unfair business practices by understanding relevant sections of the FCA. It will also help the consumer to understand the FCA and be able to report to the Fair Competition Commission (FCC) in case of any breach of the Act.

This Guideline provides an overview of some key parts of Parts III-IX of the FCA namely:

- (a) Misleading or deceptive conducts
- (b) False or misleading representations
- (c) Bait advertising
- (d) Wrongly accepting payment for goods and services
- (e) Harassment and coercion
- (f) Unconscionable conduct
- (g) Information standards

(Also see other guidelines on Product Recall, Consumer Guarantees, and Unfair Contract Terms)

2.0 Misleading or deceptive conducts – section 15 FCA

It is illegal for a business to engage in conduct that misleads or deceives or is likely to mislead or deceive consumers or other suppliers. Failing to disclose relevant information, promises, opinion and predictions can also be misleading or deceptive. This law applies even if a **business/supplier** did not intend to mislead or deceive anyone or no one has suffered any loss or damage as a result of **such** conduct. Suppliers cannot rely on small print and disclaimers as an excuse for misleading or deceptive conduct.

Most Tanzanian businesses use advertising to promote their goods and services. Whether they advertise through television, radio, the internet or print media, they must ensure that their **advertisements comply** with the law.

It should be noted that the FCA applies equally to any statements or claims made about products or services in the online environment. Businesses that sell or promote **products or services** online should ensure that their use of online vehicles does not create any misleading impressions or include false representations or claims.

2.1 What is misleading conduct?

'Conduct' includes actions and statements, such as making:

- (a) advertisements
- (b) promotions
- (c) quotations or
- (d) any representation made by a person.

Supplier's conduct is likely to break the law if it creates a misleading overall impression among the audience about (for example) the price, value or quality of consumer goods or services. It is a supplier's actions and statements that matter – not its intentions. A supplier can mislead and deceive, without intending to.

Example: A supplier's business name suggests an affiliation with a long-established institution. The name may mislead or deceive because of this similarity. The supplier's intentions when choosing the name would not matter.

2.2 Comparative advertising

Businesses may use comparative advertising to directly promote the superiority of their products over another. The comparison may relate to factors such as price, quality, range or volume.

Comparative advertising is a direct challenge to competitors and before using comparative advertising, you should consider:

- (a) Is the comparison accurate?
- (b) Are the products or services being compared reasonably similar?
- (c) Will the comparison be valid for the life of the promotion?

Example: A battery manufacturer packages its batteries in a pack with a red sticker that claims the batteries will last longer than two other high-profile brands of batteries. The claim is supported by independent tests but only against some of the other brands' batteries. The sticker does not identify that the claim does not apply to all of the other brands' batteries. While there is a more precise reference to the comparison on the back of the pack, the sticker on the front still makes the packaging misleading.

Supplier should consider the duration of advertisements planned and the likely reaction of competitors. If a competitor is aware of a comparative campaign they may move quickly to change their product or service, and this could render your campaign misleading.

2.3 Advertising through search engines and other online advertisements

There are a range of online advertising channels that suppliers can use through mechanisms such as "banner ads", "pop-up ads" and other types of advertisements. Technology may be changing but the requirements of the FCA remain applicable. For example, all suppliers involved in placing advertisements on search engines must take care not to mislead or deceive consumers.

2.4 Other promotional techniques - Social media and moderation

Social media refers to any internet based application that facilitates the exchange of user-generated content. Social media gives both consumers and businesses a direct way to interact with each other. A person can provide feedback, respond to articles, post images and generate other forms of content on websites.

There are no specific or different consumer laws in place for social media. The laws which prohibit suppliers from making false, misleading or deceptive claims about their products or services apply to social media in the same way they apply to any other marketing channel. **Businesses should not** make statements on **their** Facebook page or on other social media that they wouldn't make in any other type of advertising.

Businesses using social media channels like Facebook, Twitter and YouTube have a responsibility to ensure content on their page is accurate, irrespective of who put it there. **Businesses** can be held responsible for posts or public comments

made by others on **their** social media pages which are false or likely to mislead or deceive consumers.

Example: SDN Ltd. and GDS Ltd. are market leaders in the paint industry. A customer posts on SDN's Facebook page that their paint (SDN's) always lasts much longer than GDS's paint. SDN is unsure if this is true, but decides not to remove the post. It turns out that SDN's paint does not last longer. SDN may be held responsible for this misleading claim.

Businesses should monitor their social media pages and remove any posts that are false, misleading or deceptive as soon as **they** become aware of them. The amount of time **businesses** need to spend monitoring **their** social media pages depends on two key factors; the size of **businesses'** company and the number of fans or followers **they** have. **Businesses should** keep in mind that social media operates twenty-four hours a day, seven days a week, and many consumers use social media outside normal business hours and on weekends.

Example: ABC Company Ltd. has 300 staff. As larger companies usually have sufficient resources and sophisticated systems, the FCC would expect ABC Company Ltd. to become aware of false, misleading or deceptive posts on its Facebook page soon after they are posted and to act promptly to remove them.

Example: XYZ Company Ltd. has only 10 staff but more than 50000 Facebook fans. Given the number of people who could be misled by an incorrect post on XYZ's Facebook page, the FCC would expect XYZ to devote adequate resources to monitoring its Facebook page and to remove false, misleading or deceptive posts soon after they are posted.

Businesses can respond to comments instead of removing them, but where the comment is false, it is possible that **such** response may not be sufficient to override the false impression made by the original comment. It may be safer to simply remove it.

Businesses should offer a refund to any customer who made the decision to purchase a product or service based on a false, misleading or deceptive claim they saw on your social media page.

2.5 Puffery

Puffery is a term used to describe wildly exaggerated, fanciful or vague claims about a good or service that no one could possibly treat seriously or find

misleading. These statements are not considered misleading or deceptive under the FCA.

Example: A restaurant claims it has the ‘best steaks on earth’ and the ‘tastiest food in town’. The restaurant’s claims can be considered puffery as they are unlikely to mislead customers.

2.6 Silence

A business can break the law by failing to disclose relevant facts to a customer. Silence can be misleading or deceptive when:

- (a) one person fails to alert another to facts known only to them, and the facts are relevant to the decision
- (b) important details a person should know are not conveyed to them

Whether silence is misleading or deceptive will depend on the circumstances of each case.

Example: A consumer who lives in a regional area is buying a mobile phone. The salesman knows where the consumer lives but fails to tell him that there is no coverage in that area and the phone will be of no use. This could be misleading.

2.7 Disclaimers and small print

Businesses cannot rely on disclaimers buried in small print as an excuse for misleading or deceptive conduct. Whether or not something misleads an audience depends on the overall impression created. The exclusions should be considered together with the main offer and what is contained in the headline. The customer is not required to exhaustively search for qualifications and exclusions. The advertiser must clearly direct the consumer’s attention to the most significant terms and conditions so that they can make an informed judgment about whether to make a purchase.

Example: A large department store engaged in misleading conduct when it advertised ‘25 per cent off all clothing’, but in small print excluded certain clothing. A court found this to be misleading conduct¹.

¹ Legal reference: Australian case - ACCC v Target Australia Pty Ltd [2001] FCA 1326

However, consumers cannot ignore disclaimers that are prominently displayed. Such disclaimers may be enough to protect a business, depending on the circumstances.

Example: A bank advertises low credit card interest rates for the first 12 months. The advertisement clearly and prominently indicates the low rates are only available to new customers who apply within a certain period. This disclaimer is sufficient because it clearly informs consumers about the terms and conditions.

It is recommended that suppliers prominently display all disclaimers and any terms and conditions. **However**, suppliers must ensure that these disclaimers, terms and conditions are **not unfair**. An unfair contract term will be void (treated as if it never existed).

2.8 Claims about future (Predictions and opinions)

A statement about the future that does not turn out to be true is not necessarily misleading or deceptive. But promises, opinions and predictions can be misleading or deceptive if the person making the statement:

- (a) knew it was untrue or incorrect
- (b) did not care whether it was true or not
- (c) had no reasonable grounds for making it.

Example: A real estate agency was selling apartments with a view of the sea. The agency assured prospective buyers that the view was protected because the land between the apartment block and the sea was zoned for low-rise development. This was based on information provided by a council officer. However, the council officer's information was wrong. The zoning was about to change, allowing high rise development. The agency had made a false statement about a future matter but had reasonable grounds, so was not liable for misleading consumers².

The Commission or court will consider the circumstances and the effect or impact on the consumer when deciding if a prediction or opinion was misleading or deceptive.

If the supplier does not have reasonable grounds for making a claim about future then the supplier can be guilty of misleading or deceptive conduct. It is important

² Journal reference: (2009) 17 TPLJ 25

that one considers, or adequately addresses, the range of uncertainties and variables involved when making claims about the future.

Example: A real estate agent claims that a golf course will be developed in the area within the next year as a major selling point to the properties sold. The agent continues to make these claims despite knowing there are no plans to develop a golf course. The agent is misleading potential purchasers by suggesting there are such plans when the agent has no reasonable grounds to do so.

2.9 Exceptions for prescribed information providers – section 21 FCA

“Prescribed Information provider” includes media organisations such as:

- (a) radio stations
- (b) television stations
- (c) publishers of newspapers or magazines (including online).

Prescribed Information providers will be liable for publishing an advertisement that is misleading or deceptive. However, they may not be responsible if:

- (a) they are in the business of publishing or arranging for the publication of advertisements
- (b) they received the advertisement in the ordinary course of this business and
- (c) they did not know, and had no reason to suspect, that the advertisement was misleading or deceptive.

Example: A tradesman publishes an advertisement in a major newspaper. The advertisement states that he is a registered builder, while he is not. The newspaper staff was unaware of the builder’s unregistered status. Although the advertisement may be misleading or deceptive, the newspaper will not be liable because it had no reason to suspect the information was false. However, the tradesman’s conduct would be misleading or deceptive.

3.0 False or misleading representations - section 16 FCA, 2003

It is unlawful for a business to make false or misleading representations about goods or services when supplying, offering to supply, or promoting those goods or services. Whether a representation is false or misleading will depend on the circumstances.

It is unlawful for a business to make a misleading representation (statement). A business must produce evidence to show that such a representation is not misleading.

3.1 What are false or misleading representations?

It is unlawful for a business to make false or misleading representations about goods or services when supplying, offering to supply, or promoting those goods or services. For instance, a business must not make false or misleading representations about:

- (a) the standard, quality, grade of goods or services
- (b) the composition, style, model or previous history or use of goods
- (c) whether the goods are new
- (d) a particular person agreeing to acquire goods or services
- (e) sponsorship or approval by any person relating to goods or services
- (f) the sponsorship, approval, performance characteristics, accessories, benefits and uses of goods or services
- (g) the price of goods or services
- (h) the availability of repair facilities or spare parts
- (i) the place of origin of a product – for example, where it was made or assembled
- (j) a buyer's need for the goods or services
- (k) any guarantee, warranty or condition on the goods or services
- (l) the requirement to pay for any guarantee, warranty or condition on the goods or services.

Examples: Courts have found false and misleading representations in these cases:

- (a) A manufacturer sold socks, which were not pure cotton, labeled as 'pure cotton'³.

- (b) A retailer placed a label on garments showing a sale price and a higher, crossed-out price. However, the garments had never sold for the higher price⁴

- (c) A motor repairer told a customer more repair work was needed on their car than was necessary⁵.

³ Legal reference: *TPC v Pacific Dunlop limited (1994) ATPR 41-307*

⁴ Legal reference: *TPC v Cue Design Pty Ltd (1996) A Crim R 500; ATPR 41-475*

Whether a representation is considered false or misleading will depend on the circumstances of each case. A representation that misleads one group of consumers may not necessarily mislead another group.

Example: People concerned about their body image may be more vulnerable to products claiming to enhance beauty. Whether a representation about a beauty product was misleading would depend on whether it would mislead a reasonable person within this group. A representation can be misleading even if it is true or partly true.

Example: On the front of their product packaging, a business claimed their batteries lasted long as those of two other competitors. The claim was supported by tests, but only against some (not all) of the competitors' batteries. This was explained on the back of the packaging. A court found the message on the front of the packaging had misled consumers, even though there was a clearer message on the back of the packaging.⁶

3.2 Testimonials/statements

It is unlawful to make, or use, false or misleading testimonials. Testimonials are statements from previous customers about their experience with a product or service. These can give consumers confidence in a product or service on the basis that another person – particularly a celebrity or well-known person – is satisfied with the goods or services. Misleading representations can persuade customers to buy something to their detriment, based on belief in the testimonial. Examples of false and misleading representations about testimonials include:

- (a) A supplier published a newspaper advertisement about a 'nasal delivery system' to treat impotence or erectile dysfunction. The advertisement quoted an interview with a celebrity that falsely claimed he had suffered from impotence and the nasal delivery system had assisted in dealing with this condition.⁷

⁵ Legal reference: *Dawson v Motor Tyre Service Pty Ltd (1981) ATPR 40-223*

⁶ Legal reference: *Energizer Australia Pty Ltd v Remington Products Australia Pty Ltd [2008] FCA 58*

⁷ Legal reference: *ACCC v Advanced Medical Institute Pty Ltd (No 3) (2007) ATPR (Digest) 46-269*

- (b) An advertisement where an actor is portrayed as a real person and falsely claims to have reaped financial benefits from distributing health care products. In court, a representation about a testimonial is presumed to be misleading but not false. A business accused of making a misleading testimonial has to provide evidence to show it is not misleading. **Businesses should make sure** testimonials are true and correct when using them to endorse products; they can do this by getting real customers to speak about their actual experience.

3.3 Consumer guarantees – guarantees, conditions and warranties

It is unlawful to make false or misleading representations about consumer guarantees.

Guarantee means that when you buy goods or services and they break too easily, don't work or don't perform as generally expected, **a consumer has** rights under the law. The FCA in part VII creates a basic set of guarantees for consumers who acquire goods and services from suppliers, importers or manufacturers. These are intended to ensure that **the consumer** receive the goods or services that it has paid for. **Where the consumer has** a problem and one of the guarantees has not been met, the same is entitled to a remedy. For more information, see another guideline – *Consumer guarantees –coming soon*.

3.4 Sale or grant of an interest in land

A business must not make false or misleading representations about the sale or grant of an interest in land. It must not:

- (i) represent that it has a sponsorship, approval or affiliation when it does not
- (ii) make false or misleading representations about the:
 - nature of the interest in the land
 - price, location, characteristics or use that can be made of the land
 - availability of facilities associated with the land.

For example, a real estate agent would be misrepresenting the characteristics of a property if advertising 'beachfront lots' that did not front the beach.

3.5 Offering rebates, gifts prizes and other free items

Example:

A stereo equipment retailer held a promotion. Customers went into a draw to win prizes when they bought stereo equipment. The retailer felt the promotion had

not been a financial success so, among other things, fake names were added to the draw. Those fake names were declared the winners. This meant no prizes were awarded by the retailer. The retailer pleaded guilty and was fined.⁸

When using this promotional method, **the business** should pay special attention to the detail of the offer to ensure consumers are not misled.

3.6 Misleading representations as to nature, quality, manufacturing process, characteristics, suitability for purpose or the quantity of any goods or services.

Businesses must not engage in conduct likely to mislead the public about the nature, quality, manufacturing process, characteristics, suitability for purpose or the quantity of any goods or services.

Examples:

- (a) A supplier sells cell-phones which could not work (one could not make/receive calls etc.).
- (b) An importer sells bicycle helmets with labels indicating the helmets met a safety standard, even though the helmets have not been laboratory tested to check whether they meet the standard.
- (c) When stocks of organic eggs ran out, a supplier packed eggs in a carton labeled as 'organic' even though the eggs were not.⁹

3.7 Country of origin representation – s. 16(i) FCA

A supplier must not make false or misleading representations about the country of origin of goods. A representation about country of origin can include words, a picture or both, indicating that goods were made, produced or grown in a particular country.

The representation can be either:

- (i) attached to the goods – for instance, on a label
- (ii) in promotional material linked to the goods.

Words or pictures that are an essential part of the goods are not necessarily a representation about country of origin.

Examples:

- (a) A t-shirt with a 'Made in Tanzania' label makes a representation about country of origin. A t-shirt decorated/inscribed with the word 'Tanzania' as part of its design, does not. A business must ensure absence of a country of

⁸ Legal reference: *TPC v Calderton Corp Pty Ltd (1994) ATPR 41-306*

⁹ Legal reference: *ACCC v G.O. Pty Ltd [2007] FCA 1246.*

origin representation does not imply one, because of other statements or signs associated with a good.

- (b) It is unlawful to sell a 'genuine Turkish suit' when it is actually made in China, as a consumer may believe it was made in Turkey.

Representations about country of origin include-

- (a) 'made in' or 'manufactured in' a specified country
- (b) 'produce of', 'product of' or 'produced in' a specified country
- (c) use of a prescribed logo
- (d) claims that goods, or ingredients or components, were 'grown in' a specified country.

3.8 Criteria for country of origin claims

The FCC Consumer complaint Handling Rules will set out certain criteria for claims about the country of origin of goods. The criteria apply to claims about *country*, not *region* – for example, they do not apply to 'made in East Africa'. If a supplier is accused of making a false or misleading claim about country of origin, it must point to evidence that the claim meets the criteria set out in the Rules.

3.9 'Made in' claims

For a supplier to claim goods are 'made in' or 'manufactured in' a specified country:

- (a) the goods must be *substantially transformed* in that country, and
- (b) 50 per cent or more of the total *cost of producing or manufacturing* the goods must be incurred in that country.

[Substantial transformation - This means the product undergoes a fundamental change in the country represented. The changes can be to the product's appearance, operation or purpose. Processes that lead to substantial transformation include:

- (a) processing ingredients from the claimed country of origin and another country into a finished food product, such as the production of a cake using sugar from the claimed country of origin with spices, fruit and flour and sugar from another country
- (b) production of a newspaper using imported ink
- (c) moulding sheet metal into a car panel
- (d) milling flour from wheat.

It does not include:

- (a) reconstituting imported fruit juice concentrate into fruit juice for sale – whether or not water, sugar, preservatives and packaging from the claimed country of origin were used
- (b) assembling imported components into household or other items –[for example: white goods, furniture or electronic goods].

3.10 ‘Product of’ claims

For a business to claim goods are ‘produced in’, ‘produce of’ or ‘product of’ a specified country:

- (a) all or virtually all of the production or manufacturing processes must happen in that country, and
- (b) all of the significant ingredients or components must come from that country. An ingredient or component does not have to be a certain percentage to be ‘significant’.

Example: An orange and mango juice bottle can carry a ‘produce of Tanzania’ label only if both juices are from Tanzania. Even though the mango juice is about five per cent of the total volume, it is ‘significant’ to the product and the label would be misleading if the mango juice was imported. The final product may contain an imported preservative and still be ‘produce of Tanzania’; the mango juice content is ‘significant’, the preservative is not.

3.11 Claims of origin based on use of a prescribed logo

If a supplier labels a product with a prescribed logo, the goods must:

- (a) meet the requirements for substantial transformation and
- (b) meet the prescribed percentage of production or manufacturing costs that apply for that logo.

3.12 ‘Grown in’ claims

A supplier can lawfully claim goods are ‘grown in’ a particular country when:

- (a) at least 50 per cent of the total weight comprises ingredients or components grown and processed in that country
- (b) virtually all production or manufacturing processes happened in that country, and
- (c) each significant ingredient or significant component was grown and processed only in that country. An ingredient or component does not have

to be a certain percentage to be 'significant' – see the example under *'Product of' claims*, above.

4.0 Bait advertising and special offers - section 22 FCA

"Bait advertising" usually happens when a business advertises goods at a certain price but does not have a reasonable supply for customers to buy. What is a 'reasonable supply' will depend on several factors, including the type of goods and what is said in the advertisement is the practice of offering items for sale at low prices to attract consumers to a business.

A supplier must state clearly if the good is in short supply or on sale for a limited time. For example, if advertisement makes it very clear that goods are available at the discount price for 'today only', this will limit supplier's obligations to that day.

Example: An electronics retailer runs a campaign advertising 50-inch televisions at a price of TZS 1,500,000/= for a week-long sale. The retailer usually sells about 30 televisions of this type every week. The retailer only stocks two televisions at the advertised price and refuses to take customer orders.

When customers attempt to buy the television at the advertised price, they are told it is out of stock and offered a more expensive unit for TZS 2,000,000/=. This is likely to be bait advertising as the retailer does not have a reasonable supply of the advertised television.

5.0 Wrongly accepting payments for goods or services- s. 23 FCA

Businesses must not accept payment for goods or services if-

- (i) if they do not intend to supply the goods or services at all
- (ii) if they intend to supply materially different goods or services
- (iii) if they know, or should have known, they would not be able to supply the goods or services in a timely manner.

Example: A company sells mobile phone plans and accepts payment for mobile telephone services despite knowing it is not able to supply the services as the telecommunications carrier has little or no mobile coverage in the customer's area. This is likely to be a breach of the FCA. If a supplier does accept payment in advance, it must supply the goods or services within the time it has specified, or within a reasonable time, if no time is specified.

6.0 Harassment and coercion –s. 24 FCA

It is unlawful to use physical force, coerce or unduly harass someone about the supply of, or payment for, goods or services.

6.1 What is harassment and coercion?

Undue harassment means unnecessary or excessive contact or communication with a person, to the point where that person feels intimidated, tired or demoralised.

Coercion involves force (actual or threatened) that restricts another person's choice or freedom to act. Unlike harassment, there is no requirement for behavior to be repetitive in order to amount to coercion.¹⁰

It is unlawful to use physical force, coercion or undue harassment in connection with the:

- (a) supply or possible supply of goods or services
- (b) payment for goods or services
- (c) sale or grant, or the possible sale or grant, of an interest in land, or
- (d) payment for an interest in land.

Financial institutions are entitled to attempt to collect debts but their conduct may be undue harassment or coercion when it involves frequent unwelcome approaches and requests or threats for payment. Laws relating to privacy, harassment and misleading or deceptive conduct apply to all businesses – including debt collection agencies.

Example: A woman went into arrears on her credit card debt when she lost her job and had to care for her ill mother. The bank sold the debt to a debt collection company. The company told the woman that, if she left the country, she would not be able to return while the debt was unpaid. The company also obtained details and other information about the woman's family. They did this by contacting her friend, pretending the woman had applied for a home loan and seeking information to verify her home loan application. The company used this information to embarrass the woman and continued to call her, despite her request that they contact her through her financial counselor. The company's actions would be considered harassment.

Some suppliers may try to place consumers in a position where they will either:

¹⁰ *Legal reference: ACCC v Maritime Union of Australia [2001] FCA 1549*

- (i) inadvertently pay for unsolicited goods or services
- (ii) pay for them as a way out of an unpleasant situation.

Such conduct may constitute a contravention of the FCA.

Example: A customer goes to a hairdresser for haircut and blow dry and is quoted TZS 10,000/- While washing her hair the hairdresser gives her a conditioning treatment that she did not ask for. She is later charged TZS 15,000/- for the haircut (TZS 10,000/-for the cut and blow dry, plus an extra TZS 5,000/-for the conditioning treatment); this is a contravention by the hairdresser. The customer is not legally required to pay the additional TZS 5,000/-.

7.0 Unconscionable conduct – s. 25 FCA

Generally, ‘unconscionable conduct’ is a statement or action so unreasonable it defies good conscience. A business must not act unconscionably when:

- (i) selling or supplying goods and services to a consumer
- (ii) supplying or acquiring goods and services to or from a business.

Examples of unconscionable conduct by a supplier can, depending on the circumstances, include:

- (i) not properly explaining the conditions of a contract to a person they know does not speak English or Kiswahili or has a learning disability
- (ii) not allowing sufficient time to read an agreement, ask questions or get advice
- (iii) using a friend or relative of the customer to influence the customer’s decision
- (iv) inducing a person to sign a blank or one-sided contract
- (v) taking advantage of a low income consumer by making false statements about the real cost of a loan
- (vi) failing to disclose key contractual terms
- (vii) using high pressure tactics, such as refusing to take ‘no’ for an answer.

8.0 Information Standards – s. 50 FCA

Information standards regulate the type and amount of information provided to consumers about goods and services. Information standards in Tanzania are provided by Tanzania Bureau of Standards (TBS) under the Standards Act 2009 (CAP 130). An information standard for goods or services can:

- (a) require particular information to be provided, or not
- (b) set the form or manner of this information

Supplying goods and services that do not comply with an information standard is an offence.

8.2 What are information standards?

Information standards regulate the type and amount of information provided to consumers about goods and services – Part VIII FCA.

The Minister can:

- (a) make new information standards
- (b) declare an existing standard as a national information standard.

Example: The Minister can declare a standard issued by the TBS or by a prescribed association or body, a consumer product safety standard for the purposes of section 49 FCA or a consumer product information standard for the purposes of section 50 FCA.

The FCA recognizes the following mandatory information standards by TBS (examples):

- (a) Labeling of cosmetic products –general requirements (TZS 774: 2014 (2nd Ed)) - labels must state the ingredients to help consumers compare products, identify ingredients and avoid adverse reactions
- (b) Standard for bread- specifies the requirement and methods of sampling and test for bread intended for human consumption

The FCA also recognises prescribed (mandatory) consumer product safety standards.

8.3 Business responsibilities

Suppliers, manufacturers, importers, distributors, hirers and retailers must:

- (a) ensure goods and services they supply comply with relevant information standards.
- (b) be familiar with information standards relevant to those goods and services.

Example: A retailer sold imported dresses not properly labeled with instructions for washing, dry-cleaning and ironing. The retailer was fined because the labels did not contain all instructions required by the information standard.¹¹

A full list of existing information standards can be found on the TBS website.

¹¹ *Legal reference: Hamlyn v Mark Foy's Pty Ltd (1982) ATPR 40-316*