

REPORT OF THE GENERAL SECRETARIAT ON THE IMPLEMENTATION OF RESOLUTION
AG/RES. 2712 (XLII-O/12) "CONSUMERS SAFETY AND HEALTH NETWORK AND INTER-
AMERICAN RAPID ALERTS SYSTEM"

(Presented by the Department of Social Development and Employment of the Executive Secretariat
for Integral Development)

I. Introduction

This report is submitted for consideration of the Permanent Council, in compliance with paragraph 7 of Resolution AG/RES. 2712 (XLII-O/12), adopted during the second plenary session of the General Assembly held on June 4, 2012, which makes reference to the Consumer Safety and Health Network for the Americas and the creation of an Inter-American Rapid Alerts System¹. The Consumer Safety and Health Network (CSHN) is part of a process initiated by member states in 2009, aimed at promoting -at the national and regional levels- the wellbeing of the consumer population through the strengthening of market surveillance capacity on consumer product safety.

This process assumes that, in an increasingly global, dynamic and complex market of consumer goods and services -in which establishing the origin of the products is more difficult than ever and where providers often do not even have direct contact with the products they trade- it is necessary to strengthen the surveillance and response capacity of countries to detect and recall from the market products that may be hazardous to the integrity or the life of consumers. This need increases as more developed markets strengthen their product safety surveillance ability, preventing unsafe products from entering their territories, triggering cunning providers to choose sending the same products to other markets with lower protection levels and less coordination among agencies.

For this reason, it is necessary to establish inter-agency responses within countries, getting various agencies with competence in market surveillance involved. However, it is also necessary to coordinate actions at the regional level in order for the alerts regarding the detection of an unsafe product in one country to be shared quickly among other countries through a neutral body and thus, allow the adoption of rapid measures to prevent the entry of such good into the market or recall it from circulation if it has already entered.

In this framework, through resolution AG/RES. 2712 (XLII-O/12), member states considered important to strengthen and promote a greater State control on product safety and the need to share information, exchange and disseminate good practices on market surveillance, as a key element in the defense of consumers, protecting their integrity and health. This need led to a strategic partnership between the OAS and the Pan American Health Organization (PAHO), which seeks to help build

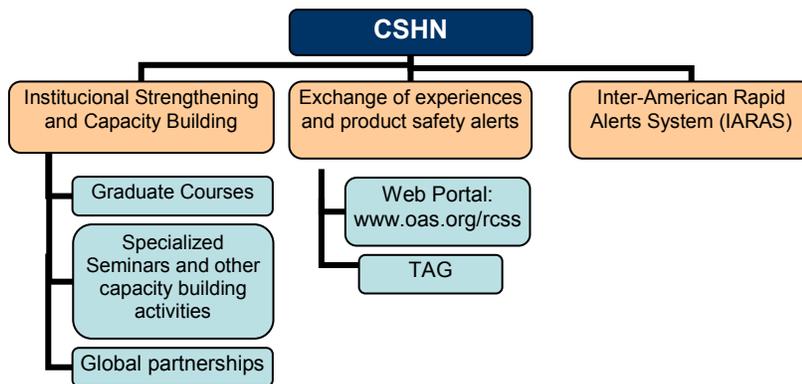
¹ The Consumer Safety and Health Network Reports for 2011 and 2012 can be found in documents CP/CG-1853/11 and CP/CG-1891/12.

national and hemispheric surveillance systems on consumer product safety and contribute to the development and dissemination of good practices on consumer products the safety.

The CSHN has three strategic components:

- 1) Institutional strengthening through the formation and training of agents in consumer safety and health.
- 2) Dissemination and promotion of the subject and exchange of information on consumer safety and health, with a web portal that collects and disseminates safety alerts.
- 3) Development of the Inter-American Rapid Alerts System (IARAS) on product safety

CHART: CSHN Components



II. Resolution AG/RES. 2712 (XLII-O/12): Mandates

Operative paragraph 7 of resolution AG/RES. 2712 (XLII-O/12) instructed the General Secretariat to present the results of the implementation of the mandates related to the aforementioned resolution to the Permanent Council before the next regular session of the General Assembly. Pursuant to this provision, the results concerning the mandates established in operative paragraphs 3, 4 and 5 are presented below.

1. Operative Paragraph 3

*“To ask the General Secretariat and PAHO to continue **consolidating the CSHN in the region**, encouraging the **implementation at the national level of public programs and policies on safe consumption and its impact on health**, and **progressing with the preparation of “common language”** to standardize national market oversight systems for consumer good safety as an essential prior step in the design of an Inter-American Rapid Alert System (IARAS) on consumer product safety that will be a sustainable system not dependent on the availability of specific resources for its administration within the General Secretariat.”*

1.1 Institutional strengthening at the national level

At the national level, actions have been set out in order to strengthen market surveillance capabilities on product safety through specific training activities in countries, coordination of efforts among agencies involved in this subject, and even the establishment of specialized offices for the advancement and coordination of policies on consumer safety and health.

- National training courses have been organized (funded by the countries themselves) in Brazil, Chile and the Dominican Republic. Training activities for 2013 and 2014 are being planned in Brazil, Colombia, Peru and Paraguay, which are aimed at consolidating the CSHN processes at the national level.

- Many countries in the hemisphere that currently do not work in the subject have put it on their agenda, institutionalizing and consolidating, with the support of the OAS, national initiatives relating to consumer safety and health:

- Brazil established the CSHN-Brazil, which coordinates federal, state and local authorities, is established by an agreement between the Ministries of Health, Justice and Industry, and lays down interagency coordination strategies. In the wake of this, the Tocantins and Bahia states have also begun to establish their CSHNs at the state level. SENACON established a specialized directorate on consumer safety in 2012.

Along these lines, in June 2012, Brazilian national authorities organized in Rio de Janeiro the First International Seminar on Consumer Safety and Health Brazil; likewise, authorities from the state of Bahía organized the First State Workshop on Consumer Safety and Health. Both initiatives had an active participation and support of the OAS.

- The Dominican Republic launched in 2012, with the support of the OAS, the Observatory of Quality, Safety and Consumption. It has also significantly increased its interagency coordination in order to achieve the establishment of its National Consumer Safety and Health Network.

- Chile and Colombia instituted consumer safety and health Working Tables and developed training courses with the support of the OAS and jointly with officials of their consumer agencies to discuss the subject. In Chile, the subject was discussed in detail at the meeting of the Ibero-American Forum of Consumer Protection Government Agencies, organized by the National Consumer Service (SERNAC) in Santiago, in November 2012. Meanwhile, in Colombia a major boost to product safety was given during the First International Congress of Consumer Law, organized in Bogota, in July 2012. Both initiatives had an active participation and support of the OAS.

- The consumer protection authority in Costa Rica signed agreements with hospitals for the exchange of information on accidents involving consumer products, moving forward towards the design of a national Consumer Safety and Health Network.

- Peru has made significant progress in strengthening its market surveillance capacity on product safety. Currently, INDECOPI is working on the design of an alerts system for unsafe products. A positive assessment of the impact of the CSHN was made during the "International Forum: Progress and Challenges, Consumer Law" held in November 2012, in Lima, at the Congress of Peru, as well as during the International Forum on consumer protection organized by INDECOPI and UNCTAD in Lima, in the same month, where the OAS moderated a discussion on consumer safety and health in the Americas.

- El Salvador and Mexico developed advanced alerts systems for unsafe products.

- At a regional scale, the OAS and PAHO launched in March 2013 the call for participation to the third annual CSHN graduate course, imparted by the Pompeu Fabra University. Its 2013 edition is organized once again with support from the United States Consumer Product Safety Commission (CPSC) and the Catalan Consumer Agency. This edition will focus on deepening the involvement of health agencies in the CSHN. The course began in May 1 and will end with an on-site week in Washington, D.C., from June 3 to 7, 2013.
- Support was given to the organization of the Rioplatense Consumer Law Conference held in Mar del Plata, Argentina, in November 2012, where regional efforts on consumer product safety were shared.

1.2 Exchanging experiences towards an inter-American rapid alerts system

The priority of Member States in these early years, as set out in the aforementioned resolution, was to disseminate information regarding the alerts on unsafe products issued by the most advanced systems in the subject matter, within and outside the region, as well as to consolidate the exchange of experiences, training, institutional strengthening and the international projection of the region, so that the subject of consumer product safety and its impact on health could be introduced into the public policy agenda and a "common language" among the countries of the region could be achieved.

- The CSHN Technical Advisory Group (TAG) is the main instance where national authorities of CSHN members discuss and evaluate the priorities and next steps of the CSHN in order to fulfill its objectives. In 2013, a new TAG meeting was held at the premises of the OAS on the occasion of the "International Consumer Safety and Health Week " in order to discuss the CSHN work plan for 2013 and next steps regarding its hemispheric and global projections, as well as support its consolidation at the national level. Over 30 national authorities and representatives of the permanent missions to the OAS from 16 member states attended, including officials from the General Secretariat and PAHO.

- The strategy to achieve this previous and necessary "common language" for a hemispheric system for exchanging alerts is closely related to the training initiatives and activities for the exchange of experiences. Through courses and seminars, a greater awareness on the importance of compatible methods for risk assessment and the adoption of timely and coordinated measures against unsafe products have been generated.

This "common language" is the starting point for the purpose of harmonizing the safety criteria and administrative procedures (ensuring that if a product is considered unsafe in a country, it is also considered as such in the rest of the region). This harmony of criteria will allow States to create action guidelines for secure and rapid exchange of information on defective products that are found in markets of the region through the inter-American rapid alerts system (IARAS).

- "Consumer Safety and Health Atlas": As a previous step for the design of a "common language" stated in the 2012 resolution, national authorities participating in the TAG have established as a priority the development of a study on the legal frameworks on product safety in the Americas. During 2012, an information matrix was distributed and completed by agencies of 21 member states. This information is being processed by a research team from the Getulio Vargas Foundation of Brazil, and its edition and publication by the OAS is expected for mid 2013.

The member states that contributed to the matrix are:

Antigua and Barbuda	Chile	Jamaica	Saint Kitts and Nevis
Argentina	Colombia	Mexico	Suriname
Barbados	Costa Rica	Nicaragua	Trinidad and Tobago
Belize	El Salvador	Panama	
Brazil	United States	Peru	
Canada	Guatemala	Dominican Republic	

2. Operative Paragraphs 4 and 5

“To request the General Secretariat to promote and implement agreements with subregional agencies and associated countries and agencies from other regions to facilitate the creation of the IARAS, so as to draw upon the progress made by those organizations and not to duplicate efforts in the field of consumer product safety”.

“To request the General Secretariat to implement the plan for involving all social actors, including civil society, in the CSHN”.

2.1 Sub-regional and extra-regional projection

- Between February 25 and March 1, 2013, the "International Consumer Safety and Health Week" was held in Washington, DC, with the main objective of promoting regional relations on product safety, particularly for Latin America and the Caribbean region with the rest of the world. During this week, the participation of CSHN agencies (consumer protection agencies, health ministries and institutes of metrology) in various relevant activities was made possible. This activities included,

- A workshop of the Federal Trade Commission (FTC) of the United States.
- The International Consumer Product Health and Safety Organization (ICPHSO) 2013 Annual Meeting and Training Symposium.
- The meeting of the Working Party on Consumer Product Safety of the Organization for Economic Cooperation and Development (OECD), of which the OAS is part.
- The meeting of the working groups of the International Consumer Product Safety Caucus (ICPSC), in which the OAS takes part as well.

All the activities organized during this week were carried out in partnership and coordination with the OAS, within the framework of the close cooperation with these forums that resulted from the CSHN, and considering the interest of these organizations and the countries of the region to have the opportunity to develop a closer dialogue on policies and actions relevant to product safety. The activities organized with the OECD and ICPSC were held at the OAS headquarters and had the participation of more than 75 people from more than 20 countries. At the ICPHSO conference, there was an opportunity to showcase the progress of the CSHN to hundreds of representatives from governments, the private sector and civil society from around the world. This was the first time that such a forum dedicated a module to consumer product safety in the Americas promoted by the OAS, and the second time it had a presentation on the inter-American efforts in its keynote speeches.

- There has been a strong outreach with the European Commission, which manages the rapid alerts system for non-food consumer product safety in the European Union called "RAPEX", one of the most efficient and advanced of its class. In late 2011, a formal request was

made to the Product and Service Safety Unit of the Directorate for General Health and Consumers of the European Commission in order to explore a possible cooperation that would enable the CSHN to seize the European advancements in the subject, and complement them with the inter-American experience, so as to achieve a regional system adapted to the realities and needs of our hemisphere. In the wake of this, at the end of 2012, the Unit formally communicated its willingness to share the RAPEX system with the OAS in order to support the design an IARAS for the Americas. The technical area of the European Commission contacted the OAS Department of Information Technology Services to coordinate the feasibility and technical details of this cooperation, which would be implemented accordingly to the priorities that CSHN member countries establish within the framework of the TAG.

- The United Nations Conference on Trade and Development (UNCTAD) recognized the impact of the CSHN in the region and informed the OAS General Secretariat that it will fund the exchange of experiences from Brazil to Colombia and Peru in the subject for the establishment of their national CSHN.

- The OAS has been actively contributing to the process of updating the United Nations Guidelines for Consumer Protection of 1985, which were partially revised in 1999, but are currently undergoing a comprehensive update process to address new global realities. In this context, the OAS was invited to provide their specialized vision on consumer product safety (guideline A of the document) resulting from the experience generated by the CSHN.

- Meanwhile, the Asia-Pacific Economic Cooperation (APEC) member states established a working group on consumer product safety, which highlighted the OAS as a key player in global efforts for future joint actions.

- At the hemispheric level, work has been carried out in constant coordination with the CARICOM Secretariat, body that has developed a tool for the sub-regional exchange of rapid alerts and with whom linkage with the inter-American system was agreed (when the appropriate time comes), in addition to cooperation on institutional strengthening. Regarding the latter, the OAS General Secretariat has facilitated the presence of representatives of CARICOM Member States in all the activities of the Network since its launch. The TAG has decided to organize a specific training activity in market surveillance on consumer product safety for authorities from this region, in partnership with the Government of Suriname and initially scheduled for 2012. However, it has been postponed due to budgetary constraints and changes of authorities in the CARICOM Secretariat.

- In MERCOSUR, the States of this block that participate in the CSHN have introduced the subject into the agenda and issued a declaration recognizing the importance of taking action on the subject.

- The CSHN was introduced in the regional agenda of the Ibero-American Forum of Consumer Protection Government Agencies, in which the GS/OAS has been actively participating in the last years, coordinating debates on consumer product safety in the Americas in 2012 and 2013.

- The CSHN was invited to participate in the International Consumer Protection and Enforcement Network, an organization made up by consumer protection authorities from more than 50 countries and which aims at protecting the economic interests of consumers worldwide, sharing information regarding cross-border commercial activities that may affect consumer welfare, and fostering international cooperation between the agencies responsible for enforcing the law.

2.2 Implementation of the plan to incorporate civil society into the CSHN

The CSHN helped strengthen the link between government agencies participating in the CSHN and civil society, which was involved in various training and exchange activities. In particular, the partnership with the global organization Consumers International was consolidated, organization which, in addition to providing the voice of consumers to the Project, disseminates the regional efforts in various spheres and has contributed to a plan for the incorporation of civil society

to the CSHN. The aforementioned plan was favorably considered by the TAG, which regretted it could not be implemented due to budgetary constraints. However, the strong intention of starting to work on it when resources become readily available was stated.

III. Financial Resources

Without prejudice to the materials and in-kind contributions that the various agencies of the Governments of Argentina, Brazil, Catalonia, Colombia, United States and Peru have made to activities undertaken within the framework of the Network and that have been mentioned in the body of this report, the CSHN has been funded in its initial and consolidation stages by the Government of Brazil, through ANVISA, DPDC, and INMETRO with a contribution of approximately USD 227,000.00 (two hundred and twenty-seven thousand U.S. dollars). This contribution was made in the framework of a cooperation agreement between the OAS General Secretariat and the Brazilian Cooperation Agency (ABC) started in 2011 and with an ending date on December 31, 2012. In addition to these contributions, all CSHN participating States have funded the participation of their officials in the various activities of the CSHN, with only specific exceptions. Also, between 2012 and 2014, a contribution of USD 150,000.00 (hundred and fifty thousand U.S. dollars) was established through CIDA and in the framework of the Inter-American Collaborative Networks project managed by the OAS.

IV. Synthesis and valuation

The CHSN is the first Inter-American effort to contribute to the integration and dissemination of good practices on consumer product safety in the region. Based on the assumption that consumer rights are a fundamental part of economic and social rights recognized in various universal and regional instruments on human rights, the CSHN advances the development -at the national and hemispheric levels- of surveillance systems on consumer product safety, and thus promotes an informed consumption with freedom of choice of goods and services, contributing in turn to strengthen the effective exercise of democracy and social inclusion.

The main feature of the CSHN is its interdisciplinary approach to a subject that until now was seen as exclusively competency of consumer protection agencies, but necessarily involves all agencies with responsibility in market surveillance. This comprehensive approach is not found in any other initiative from other regions or even globally, and justifies the partnership with PAHO.

The evolution and progress of the CSHN has been particularly fast, consolidating the American region in general, and the GS/OAS in particular, as reference actors in specialized regional and global forums; serving as a representative voice for countries that did not use to have sufficient participation in such spaces. At the same time, it has generated important synergies among countries of the region with very different development levels of market surveillance on consumer product safety.

CSHN participating States are taking concrete and strong steps within their territories of a normative, institutional and public policy nature as a result of their participation in the CSHN. The networks on the subject, which emulate the CSHN and that are being developed and consolidated at the national level, are a sign that countries have taken ownership in the subject and feel strengthened through their participation in the CSHN at the hemispheric level.

The CSHN web portal has unique characteristics and has led the way for other alerts systems. According to the latest reports, the portal has reached a thousand visits per week, after been launched a little over a year ago (in November 2010). The management, maintenance and update of the CSHN portal have continued during 2013 thanks to a new financial contribution of the Canadian International Development Agency (CIDA), contribution that gave continuity to the previous financial support made by the Government of Brazil.

In short, the CSHN is laying the necessary foundations for the Americas to have a regional rapid alerts system on consumer product safety, such as the ones that already exist in other regions, particularly Europe, and which will allow the adoption of fast, coordinated and proactive measures, as well as a greater strengthening of national capacity in market surveillance from a multidisciplinary and global approach. The enthusiasm generated by the subject and the fast impact at the national, regional and global levels show that it responds to the specific needs of involved stakeholders in member states, and represents a unique opportunity for the OAS to be a reference organization on consumer product safety, in a strategic partnership with PAHO.