

Client Alert

May 2016

For further information please contact

Andy Leck
+65 6434 2525
andy.leck@bakermckenzie.com

Lim Ren Jun
+65 6434 2721
ren.jun.lim@bakermckenzie.com

Baker & McKenzie.Wong & Leow
8 Marina Boulevard
#05-01 Marina Bay
Financial Centre Tower 1
Singapore 018981

www.bakermckenzie.com

More Bite to Consumer Protection Laws

The Singapore authorities are proposing amendments to the Consumer Protection (Fair Trading) Act (the “**Act**”) to better protect the public from unfair trading practices.

These amendments are likely to come into effect by the end of 2016.

Presently, consumers can lodge complaints with the Consumers Association of Singapore or the Singapore Tourism Board to seek redress against errant retailers. These regulators will then typically negotiate with the retailers, or request that they sign voluntary compliance agreements to cease the unfair practices in question. If the retailers refuse to do so, or breach the signed agreements, the regulators can apply for injunctions to restrain them from continuing with the unfair practices.

However, business owners have in the past closed their businesses and reopen under different names to avoid penalties.

Another significant hurdle that the regulators presently face is that they do not have investigation and enforcement powers under the Act.

The proposed amendments seek to address the following (amongst others):

- Empower SPRING Singapore (a statutory board under the Ministry of Trade and Industry) with investigation and enforcement powers. For example, it can enter the premises of suspected errant retailers, with or without a warrant, and seize goods. It will also be able to ensure that errant retailers comply with injunction orders or risk penal sanctions.
- The Court may require errant retailers to publicise that they are under injunction orders. For example, they may be required to state their injunction orders on receipts and invoices.
- The Court may also require them to inform and obtain written acknowledgements from consumers before any transaction.
- Errant entities and individuals may be ordered to notify SPRING Singapore when there are changes to their company or employment status.

The proposed amendments can be reviewed [here](#).

Interested parties can provide their views to mti_email@mti.gov.sg by 15 June 2016.