

# **Voluntary Compliance Framework (VCF) & Guidelines**

## **Phase 2**

## Contents

<b>1. Introduction</b> .....	3
<b>2. Purpose of the VCF</b> .....	3
<b>3. Benefits for Participating Traders</b> .....	4
<b>4. Selection Criteria for VCF Participation</b> .....	4
<b>5. Commitment to Sustainability and Corporate Social Responsibility</b> .....	5
<b>6. Application Process</b> .....	5
<b>7. Pilot Project</b> .....	5
<b>8. Training</b> .....	5
<b>9. Obligations of Traders</b> .....	5
<b>10. Pricing and Advertising Compliance</b> .....	6
<b>11. Implementation of VCF</b> .....	7
<b>12. Complaints Management System (where applicable)</b> .....	7
<b>13. Transparency and Disclosure</b> .....	7
<b>14. Inspection and Spot Checks</b> .....	7
<b>15. Reporting</b> .....	8
<b>16. Compliance Audit and Monitoring</b> .....	8
<b>17. Enforcement</b> .....	8
<b>18. Termination</b> .....	9
<b>19. Measuring Success and Impact</b> .....	9
<b>20. Anti-Bribery Clause</b> .....	9
<b>21. Revision</b> .....	9

## 1. Introduction

- a) The Fijian Competition & Consumer Commission (**FCCC**) has introduced a Voluntary Compliance Framework (**VCF**) as a cornerstone in fostering a fair, transparent, and ethical marketplace within Fiji. This compliance strategy encourages businesses to go beyond simple compliance with legal requirements and adopt robust and effective best practices that uphold consumer rights.
- b) Due to resource constraints and Fiji's geographical diversity, the FCCC faces challenges in monitoring every trader comprehensively. The VCF emerges as a crucial strategy to mitigate these limitations by encouraging traders to comply voluntarily with consumer protection laws. By participating in the VCF, traders proactively align with regulatory standards and commit to upholding ethical business practices. This collaborative approach not only enhances market integrity but also fosters a transparent and fair marketplace where consumer rights are prioritized. Through voluntary compliance initiatives like the VCF, the FCCC empowers traders to play a proactive role in regulatory compliance, thereby contributing to a more sustainable and consumer-centric business environment across Fiji.

## 2. Purpose of the VCF

The purpose of the VCF is to:

- a) Provide a structured approach that encourages traders to proactively adhere to consumer protection standards, thereby enhancing consumer trust and satisfaction while minimizing regulatory intervention;
- b) foster a cooperative relationship between traders and FCCC;
- c) enable the establishment of agreed working relationships based on shared responsibility for better trader and consumer practices;
- d) allow the FCCC to work together with traders for the security, protection and safety of all consumers;
- e) ensure that the requirements of the FCCC Act 2010 are effectively implemented;
- f) build efficiency in enforcing the FCCC Act 2010 through voluntary compliance;
- g) strengthen our collaborative approach towards a fair trade and free market;
- h) raise awareness on consumer protection law;
- i) ensure that the requirements of the FCCC Act 2010 are effectively implemented;
- j) ensure that all staff, employees and management are aware of the implementation of this voluntary compliance framework and related policies;

- k) ensure that the parties will adhere to agreed roles and responsibilities; and
- l) establish effective communication with traders for better understanding and interaction towards compliance.

### **3. Benefits for Participating Traders**

- a) Participation in the VCF offers numerous benefits to traders beyond mere regulatory compliance. By engaging proactively with consumer protection standards and ethical business practices, traders can enhance their reputation and credibility within the marketplace. This can lead to increased consumer trust and satisfaction, ultimately fostering long-term customer loyalty.
- b) Adherence to the VCF demonstrates a commitment to corporate social responsibility, contributing positively to the overall economic and social fabric of Fiji.

### **4. Selection Criteria for VCF Participation**

- 4.1 The VCF is open to all traders operating within the jurisdiction of Fiji who are committed to upholding the principles outlined in this Framework. Traders seeking to participate in the VCF must meet the following selection criteria:
  - a) Demonstrate a genuine commitment to consumer protection, fair trading, and compliance with relevant regulations.
  - b) A track record of compliance with the FCCC Act 2010, subsidiary laws made under the Act and investigations, inspections and enforcement activities, where applicable, is required. Businesses with a history of violations must demonstrate a clean record for the past 2 years. This includes (but is not limited to) assessment of previous compliance history, infringements, warnings, prosecutions (as applicable).
  - c) Possess the necessary infrastructure and resources to implement the requirements of the VCF effectively.
  - d) Agree to undergo training sessions conducted by FCCC to familiarize themselves with the obligations and responsibilities outlined in the framework.
  - e) Demonstrate a commitment towards sustainability and corporate social responsibility as outlined in paragraph 5 below.
- 4.2 FCCC reserves the right to reject applications after assessing the requirements.

## 5. Commitment to Sustainability and Corporate Social Responsibility

Traders must demonstrate a commitment to sustainability and corporate social responsibility (**CSR**) as part of their participation in the VCF. This includes adopting practices that minimize environmental impact, promote fair labor practices, and contribute positively to the communities in which they operate. Traders should implement CSR initiatives such as ethical sourcing of products, reducing carbon footprint, supporting local communities, and ensuring fair treatment of employees. By integrating sustainability into their business operations, traders contribute to broader societal goals while enhancing their reputation as responsible corporate citizens.

## 6. Application Process

- a) Traders interested in participating in the VCF can submit their applications online through the designated portal provided by FCCC. <https://fccc.gov.fj/vcf-expression-of-interest/>
- b) Upon submission of the application, traders will receive acknowledgment and further instructions regarding the next steps in the process.

## 7. Pilot Project

- a) The VCF will commence upon execution of the MOU and will be valid for a pilot period of six (6) months for evaluation of its effectiveness.
- b) Traders participating in the pilot project agree to implement the VCF framework in designated stores and locations.
- c) Both parties will closely collaborate during the pilot phase to assess the effectiveness of the framework in improving compliance standards and resolving consumer complaints. If the pilot project proves successful, traders may seek renewal subject to FCCC approval, with a possible term range of 1-2 years.

## 8. Training

- a) FCCC will conduct training sessions to educate traders on the requirements of the FCCC Act 2010.
- b) Refresher training will be provided upon formal request by traders.

## 9. Obligations of Traders

The traders shall have the following obligations under VCF:

- a) must resolve consumer complaints in a timely and fair manner, adhering to the principles of transparency, accountability, and consumer rights as outlined in the MOU;
- b) inform consumers about their rights and the available complaint resolution mechanisms;

- c) comply with the consumer protection laws of the FCCC Act 2010, including but not limited to:
- i. Ensuring accuracy of record-keeping;
  - ii. Providing receipts to consumers upon receipt of payment;
  - iii. Complying with price control orders issued under the FCCC Act 2010 and selling price-controlled goods at the authorized price determined by the FCCC, conscionably, and clearly displaying price control lists and marking prices of both price and non-price-controlled goods;
  - iv. Providing clear refund terms and conditions;
  - v. Refraining from misleading or deceiving consumers, such as through false or misleading representations, including but not limited to origin, standard, grade, composition, etc;
  - vi. Not selling goods past their expiry date;
  - vii. Providing accurate and truthful information regarding warranties and guarantees offered on products;
  - viii. Ensuring transparency in advertising and promotions, including any terms, conditions, or limitations associated with offers;
  - ix. Implementing measures to prevent unfair trading practices such as bait-and-switch tactics or high-pressure sales techniques; and
  - x. Regularly reviewing and updating internal policies and procedures to ensure ongoing compliance with the FCCC Act 2010 and any amendments or additions to consumer protection laws.
- d) Complying with any directives or guidelines issued by the FCCC for ensuring fair and ethical business practices.
- e) Cooperating fully with any investigations or inquiries conducted by the FCCC regarding compliance with consumer protection laws.

## **10. Pricing and Advertising Compliance**

Traders must:

- a) Ensure that all prices are accurately marked or displayed for all items.
- b) Ensure that all advertisements comply with the FCCC Act 2010 and do not mislead or deceive the public in the provision of sale or supply of goods.

- c) Comply with price control regimes.

## **11. Implementation of VCF**

Once approved, traders must:

- a) Ensure that key decision-makers and ground staff undergo training provided by FCCC;
- b) Prepare the team to take ownership of the Voluntary Compliance Framework for efficient implementation;
- c) Include VCF into Trader's internal organizational policies to educate new employees during the induction process; and
- d) Assign a contact person to liaise with the FCCC regarding issues of Voluntary Compliance Framework.

## **12. Complaints Management System (where applicable)**

Traders must:

- a) Establish accessible and user-friendly mechanisms for consumers to lodge complaints, which may include online portals, manual complaint registers, and customer service hotlines (as applicable);
- b) Acknowledge receipt of complaints within 24 hours and aim to resolve complaints within 14 days (as practicable). For complex cases requiring more time, communication of the expected resolution date to the consumer is mandatory.
- c) Develop and maintain a complaints management system to keep records of all complaints highlighted by consumers or referred by authorities, including the FCCC, for remedial action.
- d) Install in-store posters or information outlining the process of the complaints management system and how consumers can register their issues.
- e) Maintain a register of all complaints with updates on remedial actions taken or pending complaints.

## **13. Transparency and Disclosure**

Traders must:

- a) Fully disclose all consumer complaints with remedial actions taken or unresolved complaints to the FCCC on a monthly basis.
- b) Furnish full details of all consumer complaints to the FCCC for compliance audit purposes.

## **14. Inspection and Spot Checks**

The FCCC reserves the right to conduct unannounced spot checks to ensure continuous compliance with the VCF. These spot checks will help verify ongoing adherence to consumer protection standards and the effectiveness of implemented corrective actions.

## 15. Reporting

Traders must provide a report to the FCCC every three (3) months, evaluating the effectiveness of FCCC trainings, benefits of engaging in the VCF, and areas for improvement and collaboration in the future.

## 16. Compliance Audit and Monitoring

Effective oversight and continuous improvement are critical components of the VCF. Central to this framework is the rigorous process of compliance audits and monitoring, which play a pivotal role in upholding consumer protection standards and ensuring ethical business practices across Fiji's marketplace.

### a) Monthly Compliance Audits

The FCCC will conduct monthly compliance audits to evaluate the effectiveness of the VCF. These audits will review adherence to consumer protection standards, accuracy of record-keeping, and the overall implementation of the VCF.

### b) Areas of Improvement

Following each audit, the FCCC will notify the Trader of any issues identified. This notification will include detailed findings and recommendations for corrective actions to facilitate improved compliance.

### c) Targeted Training Programs

Based on the results of the compliance audits, the FCCC may design and offer targeted training programs to the Trader. These programs will address areas with increased complaints or identified non-compliance, ensuring that staff are adequately educated on corrective measures.

## 17. Enforcement

a) **This VCF does not and will not serve as immunity for breaches of consumer protection laws.** While it encourages voluntary compliance through collaboration and corrective action, the FCCC unequivocally reserves all its rights under the law to terminate the Framework and initiate strict enforcement actions if breaches are identified or persist and the Trader fails to rectify them within a stipulated timeframe. Non-compliance will lead to immediate and severe enforcement measures as deemed necessary and appropriate by the FCCC, in its absolute and sole discretion.

b) The Trader will be provided with limited opportunities to correct identified breaches and improve compliance standards. However, these opportunities are not indefinite and are subject to stringent oversight. The primary objective is to ensure the Trader achieves and maintains long-term adherence to consumer protection laws without exception or delay.



## **18. Termination**

FCCC reserves the right to terminate the VCF with immediate effect if the Trader is in material breach of any of its obligations under the VCF Agreement.

## **19. Measuring Success and Impact**

To gauge the effectiveness of the VCF, the FCCC employs robust metrics and evaluation mechanisms. Regular impact assessments, feedback surveys, and performance indicators are used to measure compliance levels, consumer satisfaction rates, and the overall market impact of the framework. These insights inform continuous improvements to the VCF, ensuring its relevance and efficacy in meeting evolving regulatory challenges and consumer expectations.

By tracking key performance metrics, the FCCC can demonstrate tangible outcomes of the VCF, such as reduced consumer complaints, improved compliance rates, and enhanced market transparency, thereby reinforcing its role in promoting fair competition and consumer welfare.

## **20. Anti-Bribery Clause**

Traders participating in the VCF must adhere to strict anti-bribery principles and practices. Bribery in any form, including but not limited to offering, giving, receiving, or soliciting anything of value to influence actions or decisions, is strictly prohibited. Traders shall:

- a) Ensure full compliance with all applicable anti-bribery laws and regulations;
- b) Provide training to employees and stakeholders on anti-bribery policies, procedures, and legal obligations;
- c) Promptly report any suspected or actual instances of bribery associated with the VCF to FCCC or relevant enforcement body (as applicable); and
- d) Maintain a zero-tolerance policy towards bribery and corruption within their organization.

The FCCC has zero tolerance to bribery. Non-compliance with anti-bribery provisions may result in immediate termination of the VCF agreement. These anti-bribery clauses are integral to maintaining the integrity and ethical standards of the VCF, ensuring fair and transparent business practices in Fiji's marketplace.

## **21. Revision**

The VCF framework is subject to revision by the FCCC at any time without prior notice. Additionally, the FCCC reserves the right to suspend or terminate the VCF at its discretion, aiming to uphold regulatory standards, safeguard consumer interests, and address non-compliance issues that may undermine the framework's integrity. These actions are pivotal in fostering a fair and competitive business environment in Fiji, emphasizing consumer rights and ethical business practices.