

# CP2E: Mediate and reconcile conflicts involving service operators and consumers

REGULATORY FUNCTION: CONSUMER PROTECTION REGULATION		CP2E
<b>OBJECTIVE CP2</b> There are mechanisms to monitor and review information received about consumer protection rights	<b>ACTION CARD CP2E</b>  <h2 style="margin: 0;">MEDIATE AND RECONCILE CONFLICTS INVOLVING SERVICE OPERATORS AND CONSUMERS</h2>	
<b>COST:</b> Medium <b>FREQUENCY:</b> Regular <b>TARGET GROUPS:</b> Regulators, consumer associations, service operators		
<b>DESCRIPTION</b> Breaching service contracts often results in conflict that is first addressed by the involved parties. Failure to correct relationships with customers brings an operator’s case to a regulator. Being the key stakeholder regarding consumer protection, this action gives regulators a significant role in mediating and reconciling conflicts involving operators and consumers. Regulators perform this action by carefully analysing the evidence provided by both parties. They then rely on established mediation and arbitration mechanisms to deliver regulatory instructions to the respective parties. Failure to comply with these instructions may result in appropriate penalties.		
<b>EXPECTED OUTCOMES</b> <ul style="list-style-type: none"> <li>• Conflicts are managed in a timely and adequate manner.</li> <li>• Service operators and consumers are prevented from further breaches of contract.</li> <li>• Consumers are reimbursed as appropriate.</li> </ul>		
<b>EXAMPLE 1: TANZANIA</b> In <b>Tanzania</b> , the regulator EWURA is legislated to attend to complaints against a supplier of regulated goods or services in relation to any matter connected with the supply, possible supply, or proposed supply of goods or services. Handling procedures of consumer complaints focuses on the need for service providers to provide reliable, quality, and affordable goods or services, a preference for amicable complaint settlement procedures as opposed to litigation, and ensuring a speedier, just and less bureaucratic handling procedure. The EWURA Act allows for any person, EWURA Consultative Council, group of people, or an authorized representative of an aggrieved party to submit a complaint. The authority has established Rules on Consumer Complaints Settlement Procedure (GN. No. 10 of 2013) to be applied when handling complaints. For the rules to enable a service provider to be accountable, complaints should be reported within a specified time. Limitation periods are based on the nature of complaint. A complaint lodged after the time limit shall not be considered. The main reason for setting time limits is to enable the authority to act and collect evidence in a timely manner, which helps in resolving matters with integrity. The consumer complaints settlement procedure proposes that EWURA mediates any complaint in an amicable manner within 60 days of the complaint being received. Detailed steps of the mediation procedure are outlined under the procedure link below.		
<b>EXAMPLE 2: COSTA RICA</b> The Public Utilities Regulatory Authority of Costa Rica (ARESEP) is empowered to resolve conflicts between users and service providers that were not resolved by the parties through original channels. For this purpose, once a complaint is filed, ARESEP holds a hearing between the parties with the aim of having them reach a conciliation agreement. In the event that an agreement is reached, a record is drawn up to register the agreements adopted.		
At this hearing, the conciliator appointed by ARESEP is in charge of informing the parties of the rights being discussed and of warning them that the agreement might not satisfy the interests of all parties involved. The conciliator must also inform them of their right to consult a lawyer about the content of the agreement prior to signing.		
Attendance at the hearing is mandatory for the parties. In the event that the complainant does not attend the hearing, the conciliation process is closed.		

**EXAMPLE 3: PARAGUAY**

The General Law on the Regulatory and Tariff Framework for Drinking Water and Sanitary Sewerage Provision in the Republic of Paraguay determines that user rights include the right to appeal to the Sanitary Services Regulator (ERSSAN) when the provider does not provide a timely and satisfactory reply to the claims and petitions submitted.

Accordingly, ERSSAN adopted a user regulation containing regulatory norms on the rights and obligations of users, as well as on claims procedures, in accordance with the principles of speed, affordability, simplicity and efficiency in administrative procedures. This regulation determines the specific process and rules according to which users may file an appeal before the regulator as a result of the responses received from providers to petitions and claims.

As a result of this process, ERSSAN issues a resolution within a maximum of sixty (60) days, which may revoke, in whole or in part, the provider's response, indicating the effects of the revocation, or confirm the response or resolution offered by the provider.

**LINKS**

Tanzania: EWURA website: <https://www.ewura.go.tz/water-complaints-and-resolution/>

Costa Rica: Regulation set forth by the Public Utilities Regulatory Law:

[http://www.pgrweb.go.cr/scij/Busqueda/Normativa/Normas/nrm\\_texto\\_completo.aspx?param1=NRTC&nValor1=1&nValor2=46969&nValor3=82846&strTipM=TC](http://www.pgrweb.go.cr/scij/Busqueda/Normativa/Normas/nrm_texto_completo.aspx?param1=NRTC&nValor1=1&nValor2=46969&nValor3=82846&strTipM=TC)

Paraguay: General Law and User Regulation: [https://erssan.gov.py/application/files/7515/8741/1529/Marco\\_Regulatorio.pdf](https://erssan.gov.py/application/files/7515/8741/1529/Marco_Regulatorio.pdf) y [https://erssan.gov.py/application/files/2015/8896/1701/Reqlamento\\_del\\_Usuario.pdf](https://erssan.gov.py/application/files/2015/8896/1701/Reqlamento_del_Usuario.pdf)

**INTERNAL CAPACITIES NEEDED AND THE ROLE OF PARTNERS**

A range of administrative, procurement and mediation skills must be embodied within regulators to successfully complete this action. Sustaining this power, exclusively performed by regulators, requires capacity building support from development partners, while consumer associations, mediator associations, and civil society can play supporting roles. Dedicated regulatory staff must be trained on how to analyse evidence, question the involved parties, and proceed with mediation instructions to conclude cases.