



OECD Centres

Germany

Berlin (49-30) 288 8353

Japan

Tokyo (81-3) 5532-0021

Mexico

Mexico (52-55) 5281 3810

United States

Washington (+1-202) 785 6323

AUSTRALIA · AUSTRIA · BELGIUM · CANADA · CZECH REPUBLIC · DENMARK · FINLAND · FRANCE · GERMANY · GREECE
HUNGARY · ICELAND · IRELAND · ITALY · JAPAN · KOREA · LUXEMBOURG · MEXICO · NETHERLANDS · NEW ZEALAND
NORWAY · POLAND · PORTUGAL · SLOVAK REPUBLIC · SPAIN · SWEDEN · SWITZERLAND · TURKEY · UNITED KINGDOM · UNITED STATES

Paris, 17 June 2003

OECD Governments Join Forces to Protect Consumers from Cross-border Fraud

OECD governments have agreed on Guidelines outlining a framework for co-operation to protect consumers against the growing problem of cross-border fraudulent and deceptive practices, particularly on the Internet. These Guidelines are the latest example of OECD work towards consensus on core characteristics for effective consumer protection in an increasingly global marketplace.

The Guidelines, whose full text is available on the OECD's website at <http://www.oecd.org/sti/crossborderfraud>, have been drawn up against a background of developments in trade and technology that have given consumers unprecedented access to new products, services, information, and markets. While these innovations have provided consumers and businesses with considerable benefits, fraud operators have exploited them to deceive large numbers of consumers in many jurisdictions.

Pyramid and lottery schemes, travel and credit-related ploys, and high-tech scams such as modem and web page hijacking are some examples of the types of frauds perpetrated across national borders. In addition to injuring consumers, such practices harm legitimate businesses and reduce consumer confidence in the global marketplace.

Cross-border fraud operators strike quickly, victimise thousands of consumers in a short period of time and then disappear along with the proceeds of their frauds. They are able to escape prosecution in many cases because of the limited ability of law enforcement agencies to pursue them across national boundaries or share evidence with other national agencies. Moreover, court-ordered remedies prohibiting fraud operators from engaging in certain conduct generally are ineffective across borders.

The OECD Guidelines are designed to help governments work together more effectively to stop and prevent cross-border problems. They set forth broad principles for international co-operation and specific provisions covering notification, information sharing, and assistance with investigations. They also cover issues regarding the authority of consumer protection enforcement agencies, invite private-sector co-operation, and set the stage for future work on the issue of consumer redress.

The new *OECD Guidelines for Protecting Consumers from Fraudulent and Deceptive Commercial Practices Across Borders* build on the 1999 *OECD Guidelines for Consumer Protection in the Context of Electronic Commerce* and on a number of bilateral arrangements already in place between OECD members. For further information, journalists are invited to contact Michael Donohue, OECD's Science, Technology and Industry Directorate (tel. [33] 1 45 24 14 79 or at consumer.policy@oecd.org).

OECD Media Relations

General Inquiries: Tel. (33) 1 45 24 97 00 - Fax. (33) 1 45 24 80 03/94 37 · Research & Documentation: Tel. (33) 1 45 24 80 88/80 89
www.oecd.org/media · E-mail: news.contact@oecd.org

Organisation for Economic Co-operation and Development, 2 rue André-Pascal, 75775 Paris Cedex 16, France · Tel. (33) 1 45 24 82 00 - Fax. (33) 1 45 24 85 00
www.oecd.org